

December 19, 2018

SCRANTON, PENNSYLVANIA

The Scranton School Board of Directors held a regular board meeting on Wednesday, December 19, 2018 at 7:00pm prevailing time in the auditorium of South Scranton Intermediate School, 355 Maple St., Scranton, PA.

President Dixon called the meeting to order at 7:12pm with a Pledge of Allegiance to the Flag.

Roll Call: By the Secretary.

Present: Directors Casey, Duffy, Gilmartin, Lesh, McAndrew, Popil, Schuster And Dixon,

Absent: All Present. (Vacant seat left by Director Cognetti)

President Dixon offered condolences to the Hartman family and asked for moment of silence for Mr. Todd Hartman, former board member of the Scranton School District who passed away recently.

Solicitor's Report

Mr. Audi said due to the length of tonight's agenda he will forego a report this evening other than to wish the board and everyone present happy holidays.

Announcement of Executive Sessions:

Board Secretary Virginia Orr announced executive sessions were held on November 19, 2018, November 29, 2018, December 5, 2018, December 12, 2018, and December 17, 2018 to discuss Personnel, Review of Special Education Settlements, Real Estate, Negotiations regarding all employee groups and potential litigation.

Superintendent's Report

Dr. Kirijan also foregoes her report this evening and wished everyone a happy and restful holiday.

Public Comment:

Larry Moran, Scranton Attorney, addressed the board regarding a Labor Counsel bid his firm submitted to the Scranton School District. Mr. Moran said he was present this evening to address false statements and mischaracterizations that have been published about him in an effort not only to distract but ultimately to disqualify his law firm from consideration, primarily he believes regarding his involvement with True Solutions Project which is a business entity that he organized and incorporated in October 2016 for a client. Mr. Moran added that he is not a trustee for True Solutions Project, he was not the trustee of True Solutions Project when any campaign contributions were made in the spring of 2017; however in October 2016 when he formed the entity on behalf of a client who is now the trustee, or was until the entity was not reregistered, it was for the purpose of

December 19, 2018

conducting certain business and political activities he is sure, and as he does in every instance, he incorporated it that way, he was the organizer listed, his name and his law firm's address adding that he looked back on his notes from this year and noticed a security company that he formed, a real estate development company he formed, an aviation company he formed, and an insurance agency that he formed, all on behalf of clients, all had his name as organizer and his law firm's address, which is a common practice for him and for the attorneys in his firm and he thinks it is common and standard in the industry. Mr. Moran now referred to a board meeting that mentioned concerns of his involvement with one of the Scranton School District vendors, a municipal collection company called eCollect. Mr. Moran said he believes a letter, formally putting the board on notice, to the Scranton School District that his firm does not represent eCollect, he is not the lawyer for that entity and specifically what happened is he did on one occasion attend a board meeting to address the board because Todd Henry who is a Philadelphia attorney for eCollect and also Mr. Moran's landlord of his Philadelphia office, on short notice asked Mr. Moran to go to the board meeting and answer some questions. Mr. Henry called Mr. Moran and asked him as a favor to do that, they offered to pay him, he declined, it was pro bono publico, for the good of the public, he never accepted money from the company, never signed an agreement, never took them on as a client, never represented them in any way and he does not believe there is a conflict in any way as he sees it. He also read concerns of potential double billing and said his firm has a billing policy that they do not bill for office conferences with attorneys and if he is dealing with a matter, talking to another attorney in the firm about that matter he does not bill the client for that time and he similarly would not bill the Scranton School District for any consultation with its solicitor whether by telephone or email, it would be treated the same way as internal office conferences. Mr. Moran concluded by saying that he is one of eight attorneys in his firm that submitted the proposal, they are all hardworking talented individuals eager to be strategic partners with the school district and he doesn't believe anything that's been said or offered is at all disqualifying and he would hope this board would look past that as well.

Ernie Sposto, spoke to the board regarding agenda item to award a contract for printer and copier services. Mr. Sposto informed the board that Fraser Advanced Information Systems came in as the lowest bidder by over \$275,000, they have over 45 years experience, with extensive services in over 60 school districts in Northeastern PA and received positive feedback from the equipment samples provided to the district.

Marci McDade Barnansky, West Scranton High School Guidance Counselor, presented the board a letter signed by the district's sixteen guidance counselors, and spoke on behalf of all students in the district and the need of six additional counselors to address their needs due to the serious issues students are facing these days. Mrs. Barnansky acknowledged Parker Hill Church for donating over 50 brand new winter coats to West Scranton Intermediate School. Mrs. Barnansky asked if there is any money to be had to please fund these much needed positions.

Rosemary Boland, SFT, echoed Marci Barnansky and the need for more guidance counselors and spoke against the LERTA item on the agenda this evening.

Ms. Boland also spoke of the Single Tax Office, the Business Privilege Tax and the Mercantile Tax and that the City of Scranton is budgeting approximately \$200,000 which would be pretty low but would mean more than a million dollars for the district.

December 19, 2018

Ms. Boland wondered if this has been looked at as far as this budget is concerned and going forward it would only take a simple phone call to the tax office to get the information you need.

Ms. Boland stressed the need of substitute teachers; the agency is not able to handle it and the district should go back to using the secretary in the administration building; she did a beautiful job and substitutes were always in place.

Ms. Boland concluded by mentioning the need to address the issue of mice and their waste products in classrooms and it needs to be addressed immediately.

A motion to accept the Consent Agenda was made by Director Casey, seconded by Director Duffy.

Requests were made to remove items B7, B10, C1, C2, J2 and N2 from Consent. The items were removed and the consent agenda passed unanimously on roll call.

CONSENT AGENDA ITEMS

B-1

The Superintendent and Budget and Finance Committee present the following resolution for your consideration:

WHEREAS, the Scranton School District Board of Directors resolved to enter into a Stipulation Agreement (“Agreement”) in order to resolve a dispute with Millett Real Estate, pursuant to 72 P.S. §5341.1 *et seq.*, pertaining to the value of the real estate assessment for the property listed under the Property Identification Number 12319030005; and

WHEREAS, pursuant to the terms Agreement; the total assessment for 2013 shall be \$193,000; the total assessment for 2014 shall be \$165,000; the total assessment for 2015 shall be \$190, 800; the total assessment for 2016 shall be \$145,800; and the total assessment for 2017 shall be \$129,600; and

WHEREAS pursuant to the terms of the Agreement; the Scranton School District shall reimburse Millett Real Estate for overpaid tax payments in 2013 (\$6,432.15); 2014 (\$9,802.37); 2015 (\$7,218.91); 2016 (\$12,957.48); and 2017 (\$14,995.97); and

NOW THEREFORE BE IT RESOLVED that the Scranton School District hereby agrees to enter into a Settlement Agreement with Millett Real Estate under the terms set forth above.

ALSO

B-2

The Superintendent and Budget and Finance Committee present the following resolution for your consideration:

December 19, 2018

WHEREAS, the Scranton School District Board of Directors resolved to enter into a Stipulation Agreement ("Agreement") in order to resolve a dispute with Limra, Inc., pursuant to 72 P.S. §5341.1 *et seq.*, pertaining to the value of the real estate assessment for the property listed under the Property Identification Number 14653010007; and

WHEREAS, pursuant to the terms Agreement; the total assessment for 2017 shall be \$47,500; and

WHEREAS pursuant to the terms of the Agreement; the Scranton School District shall reimburse Limra, Inc., for overpaid tax payments in 2017 (\$1,509.99); and

NOW THEREFORE BE IT RESOLVED that the Scranton School District hereby agrees to enter into a Settlement Agreement with Limra, Inc., under the terms set forth above.

ALSO

B-3

It is the recommendation of the Budget and Finance Committee that the following resolution be approved:

WHEREAS, In accordance with the Real Estate Tax Law any property not sold at Judicial Sale shall be listed in a Repository of Unsold Properties. The following properties have been sold and will be returned to a tax paying status with the Tax Claim Bureau:

Timothy Whitman	1422 Hollow St.	Map No. 12302 030 02204	\$7,276.83
Anthony Logan	189 Wilbur St.	Map No. 12417 020 021	\$4,011.55
(Tass L. Associated)			

THEREFORE BE IT RESOLVED, that the School District of the City of Scranton does hereby approve the above referenced properties for a repository sale pursuant to the real estate tax sale law and section 627 of said act. This resolution is subject to the approval of other taxing bodies.

ALSO

B-4

The **SUPERINTENDENT OF SCHOOLS** and the **BUDGET & FINANCE COMMITTEE** present the following resolution for your consideration:

Be It Resolved that the Delinquent Tax Report for the month of OCTOBER, 2018 be accepted. A copy of the monthly detail is available for review in the Business Office.

Tax	\$	122,376.53
Penalty	\$	10,153.25
Interest	\$	9,419.11
TOTAL	\$	141,948.89
Commission	\$	(7,097.53)
NET TO DISTRICT	\$	134,851.36

December 19, 2018

ALSO

B-5

The **SUPERINTENDENT OF SCHOOLS** and the **BUDGET & FINANCE COMMITTEE** present the following resolution for your consideration:

Be It Resolved that the Delinquent Tax Report for the month of NOVEMBER, 2018 be accepted. A copy of the monthly detail is available for review in the Business Office.

Tax	\$	162,909.01
Penalty	\$	15,422.01
Interest	\$	15,368.93
TOTAL	\$	193,699.95
Commission	\$	(9,685.11)
NET TO DISTRICT	\$	184,014.84

ALSO

B-6

It is the recommendation of the Superintendent and the Budget and Finance Committee that the following resolution be considered:

The list of bill payments in accordance with the bill payment approval Policy be approved as per the attached:

December 19, 2018 \$740,469.87

ALSO

B-8

The Superintendent of Schools and the Budget and Finance Committee present the following resolution for your consideration:

Be it resolved that the Treasurer's Report for the period ending October 2018 be accepted as follows:

Opening Balance	\$18,834,505.45
Monthly Revenue	\$11,061,347.89
Transfers and Refunds	\$ _____
TOTAL AVAILABLE	\$29,895,853.34
TOTAL DISBURSEMENTS	<u>\$11,859,723.42</u>
BALANCE IN GENERAL ACCOUNT	\$18,036,129.92

December 19, 2018

ALSO

B-9

The Superintendent of Schools and the Budget and Finance Committee present the following resolution for your consideration:

Be it resolved that the Treasurer's Report for the period ending November 2018 be accepted as follows:

Opening Balance	\$18,036,129.92
Monthly Revenue	\$ 8,122,583.37
Transfers and Refunds	\$ _____
 TOTAL AVAILABLE	 \$26,158,713.29
TOTAL DISBURSEMENTS	<u>\$11,108,041.85</u>
BALANCE IN GENERAL ACCOUNT	\$15,050,671.44

ALSO

B-11

The Superintendent and the Budget and Finance Committee present the following resolution for your consideration:

Whereas, the Scranton School District has contracted with Geisinger Musculoskeletal Institute to provide School Physicians Services.

And Whereas, the proposal awarded to Geisinger Musculoskeletal Institute contained marketing opportunities that would allow the district to reduce the cost of service to the Scranton School District.

And Whereas, Geisinger Musculoskeletal Institute has identified marketing options throughout the District equaling \$13,150. See Attached.

Therefore be it resolved the Scranton School Board of Directors approves the marketing proposal in exchange for services provided by Geisinger Musculoskeletal Institute and authorizes the Administration and the District Solicitor to review and execute all contracts related to this matter.

ALSO

B-12

It is the recommendation of the Superintendent and Budget and Finance Committee that the following resolution be approved:

December 19, 2018

BE IT RESOLVED that the proposed General Operating Budget of the Northeastern Educational Intermediate Unit (NEIU #19) for the 2018-2019 school year be approved.

ALSO

D-1

It is the recommendation of the Superintendent and the Education Committee that the following resolution be approved:

WHEREAS, a request for approval has been submitted to the Board of School Directors for Scranton High School's Show Choirs and Knight Amplified Show Band to be permitted to travel to their Show and Concert Choir Competitions for the 2019 season; and

WHEREAS, the Tantasqua Regional HS Show Choir Competition will take place at Tantasqua Regional High School in Strubridge, MA on February 9, 2019; and

WHEREAS, the Mid-Atlantic Show Choir Spectacular will take place at Clover Hill High School in Midlothian, VA on February 15-17, 2019; and

WHEREAS, the Koste Classic will take place at Manchester High School in Midlothian, VA on March 8-9, 2019; and

WHEREAS, the Powhatan Show Choir Classic will take place at Powhatan High School in Powhatan, VA on March 22 – 24, 2019; and

WHEREAS, the American Rock n' Roll Hall of Fame/Cedar Point will take place in Cleveland/Sandusky, OH on May 24-26, 2019; and

WHEREAS, the costs to compete have been fundraised by the ensemble by performing and through individual contributions; and

THEREFORE BE IT RESOLVED, the Scranton School Board hereby approves the request, as per the attached request.

ALSO

It is the recommendation of the Superintendent and the Education Committee that the following resolution be approved:

WHEREAS, a request for approval has been submitted to the Board of School Directors for West Scranton High School's Ski Club to be permitted a field trip to Killington, Vermont on Friday, February 22, 2019 and returning on Sunday, February 24, 2019; and

WHEREAS, this is a completely self funded trip by the participating students; and

THEREFORE BE IT RESOLVED, the Scranton School Board hereby approves the request, as per the attached request.

December 19, 2018

ALSO

D-3

It is the recommendation of the Superintendent and the Education Committee that the following resolution be approved:

WHEREAS, a request for approval has been submitted to the Board of School Directors for Scranton High School's French Club to be permitted to travel to the Metropolitan Museum of Art in New York, New York on April 16, 2019 and returning the same day; and

WHEREAS, club members will conduct fundraising efforts as well as contribute funds out of pocket; and

THEREFORE BE IT RESOLVED, the Scranton School Board hereby approves the request, as per the attached.

ALSO

D-4

It is the recommendation of the Superintendent and the Education Committee that the following resolution be approved:

WHEREAS, the Scranton School District recognizes there are additional challenges facing pregnant and parenting adolescents while they work towards attaining a high school diploma, and

WHEREAS, the District has a long standing history of supporting pregnant and parenting youth in Lackawanna County through the Education Leading to Employment and Career Training (ELECT) Grant funding from the Pennsylvania Department of Education, and

WHEREAS, the District will participate in a three year grant, with annual funding of \$199,000.00, the ELECT program will provide for three case managers to assist pregnant and parenting students under 22 years of age to earn their high school diploma or high school equivalent and build a support system that includes family and community services with outcomes of post high school education or job development training, reducing the risk of secondary pregnancies during youth, and encouraging healthy parenting relationships,

THEREFORE LET BE IT RESOLVED, the Scranton School District accepts the 2018-2021 ELECT Grant.

ALSO

F-1

It is the recommendation of the Superintendent and the Health and Safety Committee that the following resolution be approved:

December 19, 2018

WHEREAS, the Scranton School District recognizes the importance of supporting students in their social and emotional development, and

WHEREAS, the District has a long history of addressing mental health and behavioral concerns through the Student Assistance Program (SAP), and

WHEREAS, the District will participate in a one year grant, with funding of \$25,000.00, the School Safety Elementary grant will fund staff from the Lackawanna County Commission on Drug and Alcohol to provide SAP training for 48 staff and fund substitute costs for each staff member during the training,

THEREFORE BE IT RESOLVED, the Scranton School District accepts the 2018-2019 PCCD: School Safety Elementary Grant.

ALSO

F-2

It is the recommendation of the Superintendent and the Education Committee that the following resolution be approved:

WHEREAS, the Scranton School District (“District”) is classified as a school district of the second class in the County of Lackawanna, Commonwealth of Pennsylvania, and is committed to making policy decisions that are consistent with law, have a rational and substantial relationship to the legitimate purposes of the Board of School Directors (the “School Board”), and be directed towards the maintenance and support of a thorough and efficient system of public education in the District; and

WHEREAS, the District and its employees (“District Personnel”) recognize that ensuring the health, safety, and welfare of the students in our schools is the District’s highest priority; and

WHEREAS, Act 44 of 2018 (“Act 44”), signed into law by Governor Tom Wolf on June 22, 2018, established several new sections of the Pennsylvania Public School Code of 1949, which create a statewide anonymous reporting system and mandate that District Personnel assume new roles and responsibilities regarding school safety; and

WHEREAS, the Pennsylvania Office of the Attorney General, as required by the provisions of Act 44, is establishing the “Safe2Say Something” school safety anonymous tip program (the “Program”), which requires Pennsylvania school districts to assemble three-to-five member Program teams comprised of new or existing employees; and

WHEREAS, the Program teams shall be responsible for monitoring and responding to anonymous tips twenty-four (24) hours per day, seven (7) days per week, three hundred and sixty-five (365) days per year, commencing on January 14, 2019; and

WHEREAS, the District has serious concerns about the implementation of the Program without allowing adequate time for proper training, technical assistance, and additional

December 19, 2018

legislative amendments to protect students' personal rights and privacy when District Personnel and law enforcement officials are required to act on anonymous reports; and

WHEREAS, the general nature of anonymous reporting programs allows tipsters to communicate threats and to use the reporting system to potentially bully and harass other students without any fear of consequence; and

WHEREAS, the implementation of similar programs in the United States, such as the Safe2Tell Program in Colorado, have resulted in regular abuse of students' personal rights and privacy; and

WHEREAS, encouraging anonymous reporting will likely invite significant abuse and will result in a waste of finite resources, as District Personnel will be receiving "tips" with no ability to discern the credibility of the anonymous tipster, which will result in significant Fourth Amendment privacy concerns; and

WHEREAS, the District believes an anonymous reporting system, which introduces multiple platforms for reporting (website, crisis hotline and mobile app), will discourage personal interaction, responsible reporting, and will further erode the established relationships between students and District Personnel; and

WHEREAS, the District simply lacks the resources to vet and respond to anonymous tips and adequately manage the logistical implications of the Program's implementation, said Program representing another unfunded legislative mandate that provides no additional resources to the District; and

WHEREAS, the District believes that placing the burden on District Personnel to develop and manage the process for responding to Program anonymous tips, in conjunction with law enforcement and county dispatch centers, is irresponsible and should be better coordinated through state-wide regional workshops and piloted before the arbitrary implementation date of January 14, 2019; and

WHEREAS, the process of making or retrieving tips from the Program is not guaranteed as the Program is relying upon electronic and cellular communication to address life threatening situations in rural areas without reliable electronic and cellular communication service or access; and

AND NOW, it is hereby **RESOLVED** that the Board of Directors of the Scranton School District, sets forth the following:

1. The recitals set forth above are incorporated into this Resolution as if more fully set forth herein.
2. The District opposes the reckless implementation of the Program, and hereby requests the Program be delayed until substantive technical assistance is provided to District Personnel, law enforcement agencies, and County dispatch centers.
3. The District requests that the General Assembly of the Commonwealth of Pennsylvania, including local representatives serving the District's geographical

December 19, 2018

area, consider legislative amendments to Act 44 to address the dangers and potential abuse of students' personal rights and privacy when acting on anonymous reports.

4. The District requests that the General Assembly of the Commonwealth of Pennsylvania, including local representatives serving the District's geographical area, provide adequate, recurring funding to support the provisions of Act 44 and the Program, as well as developing and utilizing existing reporting systems, such as the 9-1-1 call system, to address the growing safety and security concerns that school district's currently face.

This Resolution was approved at a public meeting of the Board of School Directors of the Scranton School District on December 19, 2018, by a vote of ____YES and ____NO, with ____ABSTAINING and ____absent.

Board Secretary

Board President

ALSO

J-1

It is the recommendation of the Superintendent and Personnel Committee that the following is accepted:

WHEREAS, Director Paige Gebhardt Cognetti has submitted her resignation to the School Board on December 12, 2018; and

THEREFORE BE IT RESOLVED, the Scranton School Board hereby accepts the resignation of Director Cognetti effective immediately.

ALSO

J-6

It is the recommendation of the Superintendent and the Personnel Committee that the following is approved:

WHEREAS, on December 31, 2018 the Chief Human Resources Officer will retire from the district; and

WHEREAS, a suitable candidate is being sought to fill this position; and

WHEREAS, to insure the integrity of the Human Resources Department and business continuity, the current Chief Human Resources Officer will continue to assist the District for a daily rate of \$338.53, in addition to savings realized by PSERs and health care contributions, for services rendered from the date of retirement until Board action is taken on the recommended candidate; and

December 19, 2018

THEREFORE BE IT RESOLVED the Board by this resolution and in the best interest of the District does hereby continue this temporary agreement pending approval from PSERs and the Pennsylvania Department of Education.

ALSO

K-1

It is the recommendation of the Superintendent and Public Relations Committee that the following is approved:

BE IT RESOLVED that the lease agreement with Times-Shamrock Outdoor, LLC be approved according to the terms and conditions in the attached lease agreement.

ALSO

M-1

It is the recommendation of the Superintendent and the Buildings and Grounds Committee that the following resolution be approved:

WHEREAS, the Scranton School District requires additional classroom space for the students at Whittier Elementary School and,

WHEREAS, the Scranton School District entered into a lease for additional space from St. John Neumann Parish on March 3, 2014 and,

WHEREAS, the monthly rental fee shall increase from \$3,000 to \$4,500 beginning July 1, 2019 and be held at that rate for one year and,

WHEREAS, each year following for an undetermined period of time the monthly rental fee shall increase 3% per year and,

WHEREAS, unless terminated by 30 days prior to renewal, the lease agreement shall be automatically renewed for 12 months as stipulated under the conditions of this resolution and,

THEREFORE BE IT RESOLVED, the Scranton School Board hereby approves the lease agreement between the Scranton School District and the St. John Neumann Parish according to the terms of this resolution and the stipulations in the lease agreement dated 2013-14 / 15-16.

ALSO

N-1

It is the recommendation of the Superintendent and the Special Education Committee presents the following for your consideration:

December 19, 2018

WHEREAS, the School District of the City of Scranton is subject of administration proceedings and civil suits, wherein the appropriateness of the student's special education program has been challenged or suits have been filed in matters of NC ODR# 20411-17-18, TH ODR# 21431-18-19 and JP ODR# 21200-18-19; and

WHEREAS, the parties have reached a settlement agreement in this matter upon the terms and conditions previously provided for your consideration; and

THEREFORE BE IT RESOLVED that the settlements as indicated above be approved upon the terms and conditions as described and the Superintendent or Director of Special Education are hereby authorized to execute any and all documents necessary to consummate the matters.

*****END CONSENT AGENDA ITEMS*****

Before moving on to the Non Consent Agenda items, Mr. Schuster asked Mr. Pat Laffey to address Scenario 1 and Scenario 2, the options that the board has in front of them this evening regarding the 2019 General Fund Budget.

Mr. Laffey indicated that as it was left at the budget committee meeting held on December 17th, it was a budget shortfall of \$5,583,330.00 and after discussion and further adjustments they were able to reduce expenditures by \$378,000.00. Mr. Laffey said that as they sit here this evening the current budget deficit is \$5,205,320.00 and both options in front of the board for consideration this evening include expenditures of \$166,004,068.00.

Mr. Laffey explained that Scenario 1 maintains the current real estate millage at 128.47 mills; a real estate tax revenue of \$39,500,000.00 while Scenario 2 increases the real estate millage by the Act 1 limit of 3.6%, up to 133.0949 mills raising the real estate revenue to \$41,058,768.00, for an increase of \$1,558,768.00 and reducing the budget deficit that would need to be borrowed to \$3,646,552.00.

Director Schuster asked Mr. Laffey, at this point and time with the two options they can either borrow \$5 million plus or lower that amount by increasing the tax millage to the cap.

Mr. Laffey said to the Act 1 cap, not the approved exception level, and that would reduce the necessary borrowing to \$3,646,552.00.

Director Schuster spoke of the discussion at the last meeting that there may be a possibility they wouldn't have to go to capital markets to borrow and asked for certainty or updates.

Mr. Laffey said he wouldn't say there is any certainty, it may make a bank loan more feasible with the lower number, that would obviously be the first option they would look to obtain once the bid is out and approved for financial advisor that would be the first thing they would work on but there's certainly no guarantee.

Director Schuster asked if they were to do that if there is an estimate of interest costs or savings.

December 19, 2018

Mr. Laffey responded that additional interest expense of about \$150,000.00 was built in; last year \$300,000.00 was built in for borrowing and that was roughly around \$9 million including the capital project funds of \$4 million, and that \$300,000 budget actually came in as \$280,000 but interest rates are a little higher right now so they want to be conservative at \$150,000.

Director Schsuter asked if they were to raise taxes to the cap in order to have the possibility of bank more rather than capital markets, looking to save maybe \$129,000.00.

Mr. Laffey replied at this point they wanted to include the \$150,000.00, he cannot predict what interest rates they will be given at this times but it's certainly going to be less expensive than a capital market fund.

Director Casey referred to Ms. Rosemary Boland's comments regarding the Single Tax Office and asked Mr. Laffey if he has already explored that.

Mr. Laffey said they met with the Single Tax Office in October or November looking at some projections and they did make a note of some increased collections on the Business Privilege tax area but the actual budget is based off what they are projecting to end this year which would possibly include some of those collections but he will certainly reach out to Mr. Fox.

Director Dixon asked if PFM is giving them any guidance on which direction they should go.

Mr. Bill Gretton, as he stated at the last finance committee meeting his recommendation is that in order for the board to show good faith, going to the index would be very reasonable and would possibly avoid some negative approach by the state.

Director Schuster commented that looking back at the tax breakdown; they have raised taxes all but six times in the last 25 years.

Director Lesh explained that there has been good reason in the past for raising taxes and one of the reasons is the campus at Scranton High School, the Memorial Stadium and that entire area as well as the new Tripp Elementary School, Whittier Elementary School, the expansion at Kennedy Elementary School and the many things that needed to be done due to the aging buildings in the district which expenses related to those renovations is very costly. Mr. Lesh added that raising taxes has always been for good reason and with the children in mind.

Mr. Laffey also added that another factor is the rate in which PSERs has increased the effect it has had on the district and the index almost doesn't even cover that amount.

Director Gilmartin expressed that what she is struggling with is making the decision tonight that is absolutely going to have an impact whatever tax raise is passed and they are doing it in exchange for so many "ifs"; they may not be able to borrow from the banks, they may not get the additional state funding. Ms. Gilmartin added that the children deserve more, this money is due to the district, they keep putting the burden on themselves and the

December 19, 2018

community and they don't have any guarantee and she understands an act of good faith but there are very big question marks.

Director Lesh responded that they were elected to do exactly what they are doing tonight, whether they raise taxes or not. Mr. Lesh said they are very grateful for the money the state has given them and again there are people looking at them to do certain things and have the courage of doing the unpopular things and unfortunately they sometimes have to say yes to raising taxes to show banks and lending individuals that they have the courage to move forward and in his 20 years experience on this board he never liked raising taxes but they were at the mercy of a governor that cut funding for 4 years and the district is still trying to dig out of that hole. Mr. Lesh certainly agrees with Ms. Gilmartin but they need to show the lending institutions and others they have the courage.

Ms. Gilmartin expressed to Mr. Lesh that he stated very positive reasons for raising taxes and they are faced with one that is simply plugging a hole they didn't wholly create.

Director Lesh added they have been forced to borrow money due to former Governor Corbett; he has put this district and many other districts on its knees and because of Mr. Duffy's diligence and other members of this board, have looked into and found out how grossly underfunded the district is besides all of the drastic cuts by former Governor Corbett.

Director Dixon echoed Directors Gilmartin and Lesh and she is also struggling as well, it seems all they have been doing is looking at numbers and they have to shift the focus to the kids, they have to be heard in Harrisburg in numbers because the state needs to step up and help educate the kids.

Director Schuster asked for input from the board regarding the two options for the 2019 Budget.

Director Lesh said he would go with the midline tax increase as he believes it shows work on their part and it shows the lending institutions that they are willing to do their part.

Director Schuster asked Solicitor Audi that since there are two members of the Budget and Finance Committee present this evening, if they can put it to a vote of the committee with President Dixon as the 3rd vote or if they should go with the five votes to choose the option.

Attorney Audi said he thinks there should be a vote on both options; to start with option 1 then roll call, then on option 2 and roll call.

Director Popil asked for clarification of the options.

Director Schuster responded that option 1 is zero increase.

Mr. Laffey responded that option 2 is 3.6 % or 4.6249 mills increase from last year.

Attorney Audi clarified that whatever options are available they need to put them out for a vote.

December 19, 2018

Director Lesh said he knows the 4.6 mill increase sounds like an awful lot but if they borrow, they're just kicking the can down the road pushing this debt further.

Director Popil said there is borrowing in both scenarios.

Mr. Laffey responded yes, there is borrowing in both options as Mr. Gretton stated from a fee structure it's typically more expensive and may involve bond insurance for the financial situation that Scranton is in and can be expensive, unfortunately the district has had to borrow many years in a row and the debt service expenditure line is running dramatically high; it's an unfortunate situation we're in.

Director Popil said there is no question this district is underfunded by the state and in his opinion some of the formulas are unfair especially the transportation reimbursement formula as they are geared towards rural districts and based on mileage where the City of Scranton does not have a lot of mileage but it doesn't mean it's cheaper to run the buses in the city, it's actually more costly and another thing he would like to point out that may sound ridiculous but by increasing taxes we're going to save money and we have to get into a program where we're paying for our own operations, that's his goal, he would like to see this district at the end of a fiscal year have a zero balance and they can get there but without raising taxes this year they're putting themselves in danger with the type of help they're trying to get from the state. Mr. Popil thinks they have to show some good faith to the people who are monitoring the district, that the district is trying to be fiscally responsible, aggressively looking at every aspect of the expenditures and where they can cut without cutting programs and without hurting education.

Director Schuster asked to take roll call on Scenario 1.

Director Dixon asked if they have the resolution.

Director Schuster said they are going to vote on the options.

Mr. Laffey reminded them that there are resolutions for both scenarios in the packet in front of them.

Director Schuster made a motion to vote on Scenario 1, seconded by Director Casey.

ON THE QUESTION:

Director Duffy clarified that Scenario 1 is for a zero tax increase and he is going to be following the direction of PFM, he has a lot of faith in the state that they're going to step up to the plate and that is the reason he will be voting in favor of a tax increase.

Director Schuster said he is basing his decision on last year, as they did make expenditure cuts to bring down that side of the budget and he felt comfortable last year with the tax increase however this year the budget has increased by \$1.5 million and although there are positions he thinks are needed he doesn't like putting that burden on the tax payer.

Director McAndrew said as for Scenario 1, he believes they showed good faith last year, made very difficult decisions with regards to cuts and they only received an extra \$6 million

December 19, 2018

from the state, knowing they need another \$5 million to close the gap; Mr. Duffy has done great work with this but Mr. McAndrew looks at it as all of their brother and sister school districts that are receiving all this extra money or allowance from their parents the “state” and why aren’t they getting the same allowance, are they grounded and will they continue to be grounded? Mr. McAndrew added the state might think it’s unreasonable or not in good faith if he votes not to raise taxes, but he feels better about not voting to raise taxes and burdening the people, adding it’s not working, it hasn’t worked and he believes they will send a message if they put it back on the state.

Director Schuster recalled Ms. Boland’s speech the other evening and something stuck with him that when you make a decision it has consequences and even if they get things straightened out the taxes are still going to be very high and that’s the consequences he is looking at; they’re already looking at two problems; borrowing is a problem and the tax increase is a problem; they either create one problem or they create two.

Director Dixon said she is also thinking of other alternatives and the state is not happy with the district, there’s a lot on the table and they have no answers as Ms. Gilmartin has said.

Director Casey said as board members, and as Mr. McAndrew has always said we can only do what we’re afforded able to do and we can only do with the information in front of us, he can’t worry about what some state senator in Erie is going to do when it comes to the negotiation table about Scranton because he’s never going to see any of the 10,000 students or represent any of the individuals sitting in this auditorium and frankly he, as a school director, faced with the option of potentially getting out of capital markets and going for a bank loan if that’s possible, to reduce the extra fees that goes towards lawyers that everyone seems to pile onto, he looks at it as its positive to look at where the district was last year in terms of borrowing, last year they borrowed in the area of \$9 million and he can’t worry about what some state representative out in Centre County is going to do or some senator out in Erie when it comes to the negotiation table to give this district any extra money. Mr. Casey added that he has to make the best decision, and he understands the ramifications; he voted against a no tax increase two years ago even though he ran for office the following spring and it might have been the unpopular decision but he is going to vote for what he believes in and unfortunately he can’t walk away from not accepting that recommendation so that’s where he stands right now.

Director Lesh agreed with Mr. Casey and he can’t sit idly by, play Russian roulette with the state and sacrifice the kids in the process and looking back at the 20 years he’s been on the board, maybe 20 years ago they should’ve had fair funding, absolutely, the newspaper has made comments that the board has been asleep at the switch, no one up here has been asleep at the switch, they have all done their part, to encourage the administrators to do the right things by the children and maybe people don’t agree with that they do but they do the best they can adding they are people of all walks of life, they all genuinely care about the children and that’s why they vote the way they do so he will be in favor of the tax increase.

Director Schuster is holding the taxes the way they are could have the potential to expand the tax base in the future citing the recent move of Clarks Summit to decrease theirs, and

December 19, 2018

Scranton on the verge of raising theirs, you're going to see some movement there with the shrinkage of the tax base.

President Dixon now asked for roll call for Scenario 1. The vote for Scenario 1 failed with three (3) affirmative and five (5) negative votes. Directors Casey, Duffy, Lesh, Popil and Dixon voted in the negative.

Director Lesh now made a motion to put Scenario 2 on the table, seconded by Director Casey. Scenario 2 passed with five (5) affirmative and three (3) negative votes. Directors Gilmartin, McAndrew and Schuster voted in the negative.

The following was submitted by Director Schuster.

B-7

It is the recommendation of the Superintendent and the Budget and Finance Committee that the following resolution be considered:

The Exception Bill List as per the bill payment approval policy for the period ended December 19, 2018 be approved as per the attached:

Be it resolved that exception payments in the amount of \$3,802,561.29 have been paid in accordance with the approval payment policy.

November 16, 2018	\$1,444,138.84
November 30, 2018	\$1,118,199.32
December 14, 2018	\$1,240,223.13

Be it resolved that payrolls amounting to \$7,494,107.44 have been paid in accordance with the approval for payment policy.

November 16, 2018	\$2,439,376.56
November 30, 2018	\$2,441,043.91
December 14, 2018	\$2,613,686.97

ON THE QUESTION:

Director Schuster asked Mr. Pat Laffey to explain stop loss.

Mr. Laffey explained the stop loss is a policy the district carries to insure any claims that exceed a certain threshold, which he believed to be \$225,000 and once an individual accumulates medical claims that exceed that amount, stop loss insurance would kick in to generate refunds to the district and it is a budgeted line item of about \$400,000.

Director Schuster asked about Millennium. Mr. Laffey said Millennium is the current health care consultant.

December 19, 2018

Director Schuster asked when they looked at bidding out some vendors was Millennium something that was bid out. Mr. Laffey replied not as yet but he believes it is on the timeline for 2019. Director Schuster thought there would be a savings of about \$20,000.

Mr. Laffey believes the fee which is about \$8000 per month was reduced by about 4% in the 2018 year.

Director Schuster recalled that there was a \$20,000 fee that perhaps they shouldn't have been paying and that the district would not be paying that anymore.

Mr. Laffey said he wasn't sure what Mr. Schuster was referring to but they pay Millennium about an \$8,000 per month administrative fee; he isn't sure what the \$20,000 Mr. Schuster is referring to.

Director McAndrew said that he heard the same reference; that they would no longer have to pay since they shouldn't have been paying for it before.

Mr. Laffey responded that it's the 403b Plan, the administration costs that service was bid out, they're transitioning to the new vendor in January 2019 and there will be about a \$20,000 annual savings but it is two different services they're talking about.

Director Schuster asked if Millennium was at one time doing that service for the district or if it had anything to do with Millennium.

Mr. Laffey said no, it was a different vendor.

The resolution was seconded by Director Casey and passed unanimously on roll call.

ALSO

The following was submitted by Director Schuster.

B-10

The Superintendent of Schools and the Budget and Finance Committee present the following resolution for your consideration:

Whereas, the Scranton School District in an effort to achieve savings contracted with Pro Buyers LLC to conduct a review of the District Copy and Printing needs and assist in the preparation and execution of a professional Copier and Printing services RFP process.

And whereas, the District has received proposals from 4 qualified bidders to provide Copier services for the Scranton School District; those proposals were reviewed and presentations were conducted by all bidders to a committee of District personnel.

And Whereas, Fraser Advanced Information Systems proposal was the lowest overall pricing received by the District and the proposed equipment was successfully tested on site in various buildings throughout the District.

December 19, 2018

Therefore Be It Resolved the Scranton School Board of Directors approves the lease proposal of Fraser Advanced Information Systems and authorizes the Administration and the District Solicitor to review and execute all contracts related to this matter.

The resolution was seconded by Director Duffy and passed with (7) seven affirmative and (1) one abstention. Director Gilmartin abstained due to holding a commercial lease with the vendor.

ALSO

B-13

**SCHOOL DISTRICT OF THE CITY OF SCRANTON
LACKAWANNA COUNTY PENNSYLVANIA**

**RESOLUTION AUTHORIZING THE INCURRING OF TAX AND REVENUE
ANTICIPATION DEBT AND THE ISSUANCE OF A TAX AND REVENUE
ANTICIPATION NOTE IN THE MAXIMUM PRINCIPAL AMOUNT OF \$14,000,000.00
ACCEPTING THE OFFER OF FIRST NATIONAL BANK AND ESTABLISHING THE
TERMS OF THE NOTE.**

WHEREAS, the School District of the City of Scranton, Lackawanna County, Pennsylvania, (the School District) anticipates current revenues as yet uncollected, and

WHEREAS, the School District requires additional funds for current and anticipated expenditures to fund anticipated deficits; and

WHEREAS, the School District has determined that it is necessary to borrow for the purpose of meeting current and anticipated expenses for the fiscal year ending December 31, 2019 by issuing a note to be repaid from the receipt of anticipated taxes and revenues; and

WHEREAS, First National Bank of Pennsylvania (the Bank) has submitted to the School District a Proposal to Purchase the "Proposal" Tax and Revenue Anticipation Note of 2019 of the School District dated December 14, 2018 and the School District desires, by the adoption of this resolution, to accept such proposal and authorize the issuance and sale of its Tax and Revenue Anticipation Note;

NOW THEREFORE, Be it Resolved by the Board of School Directors of the School District of the City of Scranton, and it is hereby resolved by the authority of said Board, as follows:

1. The School District hereby authorizes the issuance of a tax and revenue tax anticipation note in the maximum principal amount of \$14,000,000.00 (the TRAN) in anticipation of the receipt of current taxes and revenues, to be sold at private sale. The School District has determined it to be in the best financial interest to award the sale by private negotiation.

2. The TRAN shall be in the denomination of \$14,000,000.00, shall be redeemable at any time at the option of the school district, without penalty or premium, shall be fully registered without coupons, shall be dated the earliest date possible under the law, bear interest at the fixed rate set forth in Option 1 of the Proposal, which interest shall be payable at maturity, shall mature on December 31, 2019, shall be payable at the Scranton Office of the Bank, and shall be substantially in the form annexed to this resolution as Exhibit "A" hereby made part of this resolution as though fully set forth at this place.
3. The TRAN issued pursuant to this Resolution shall be a general obligation of the School District. The School District hereby covenants with the owners from time to time of the TRAN that if funds are not available for the full payment of the TRAN within the fiscal year in which issued, then the School District will either (1) include the amounts necessary to pay the TRAN in its budget for the next fiscal year, pursuant to Section 8125 of the Debt Act, to the extent then permitted by applicable law; (2) fund such amounts within the next fiscal year in accordance with Sections 8129 and 8130 of the Debt Act; or (3) provide for payment of the TRAN by any combination of (1) and (2) in all events upon notice to and with the consent and agreement of the bank.
4. The School District hereby covenants with the owners from time to time of the TRAN that it will make no use of the proceeds of the TRAN which if such use had been reasonably expected on the date of issue of the TRAN would have caused the TRAN to be an "arbitrage bond" within the meaning of Section 148 of the Code and the Regulations there under and that it will comply with the requirements of the Internal Revenue Code of 1986, as amended (The Code) and the Regulations throughout the term of the TRAN.
5. If the principal amount of the TRAN, plus the principal amount of all other tax-exempt obligations issued and to be issued by the School District, or by a subordinate governmental unit within its jurisdiction, during the calendar year in which the TRAN is to be issued, exceeds \$15,000,000.00 (and no more than \$5,000,000 of that was/is issued for other than "capital purposes"), and if the gross proceeds of the TRAN are invested at a yield greater than the yield on the TRAN and are not expended, or deemed to have been expended pursuant to in Section 148(f)(4)(B)(iii) of the Code, within six (6) months from the date of issuance, the School District covenants that it will rebate to the US Treasury, within sixty (60) days after the maturity date of the TRAN, that the amount of investment income on the TRAN proceeds which exceeds the amount which would have been earned had the TRAN proceeds been invested at a yield equal to the yield on the TRAN.
6. The Proposal is hereby accepted and shall be incorporated into this Resolution as Exhibit "B" hereto and the President (Vice) and the Secretary of the Board of School Directors are hereby authorized and directed to execute and deliver a duplicate original of the Proposal to the Bank.
7. The TRAN is designated as a "qualified tax-exempt bond", as that term is defined in Section 265 of the Code, as amended (the Code). No part of the

December 19, 2018

proceeds of the TRAN shall at any time be used directly or indirectly to acquire securities or other obligations the acquisition of which should cause the TRAN to be an “arbitrage bond” as defined in this code.

8. The TRAN shall be secured by a pledge of, and a lien and charge on, the taxes and all other revenues of the School District to be received during the period when the TRAN will be outstanding, including during any period of default.
9. The President (Vice) of the Board of School Directors be and hereby is authorized and directed to execute and deliver in the name of, on behalf of, and under the seal of, the School District, the TRAN, in the form and containing terms described above, and the Secretary of the Board of the School Directors be and hereby is authorized and directed to attest the same.
10. The Treasurer of the Board of School Directors be and hereby is authorized and directed to prepare or to cause to be prepared a Certificate As to Taxes and Revenues to be Collected and a Certificate of Cumulative Deficit as required by Section 8126 of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, as amended.
11. The Officers of the Board of School Directors be and hereby are authorized and directed to perform all acts which are necessary and proper for the valid issuance and security of the TRAN, including the preparation and execution of a tax certificate

RESOLVED THIS 19th Day of December, 2018

ATTEST

SCHOOL DISTRICT OF THE CITY OF
SCRANTON

_____	(District Seal) by: _____
Secretary	President (Vice) Board of School Directors

The resolution was seconded by Director Casey and passed unanimously on roll call.

ALSO

The following resolution was submitted by Director Schuster.

B-14

The Superintendent of Schools and the Budget and Finance Committee present the following resolution for your consideration:

Whereas, the Public School Code of 1949, as amended allows for a budget transfer from one classification of expenditures to another by the Board of Directors in the last nine (9)

December 19, 2018

months of the fiscal year if it is apparent that necessary surplus finds do exist in another appropriation;

And Whereas the Scranton School District adopted Board Policy 612 has established the guidelines for reporting such necessary budget transfers to the Board of Directors;

Therefore be it resolved that the proposed budget transfer per request be approved as per the attached.

The resolution was seconded by Director Casey.

ON THE QUESTION:

Director Schuster asked if there is an amount.

Mr. Laffey said they should have an updated resolution; there is not an attachment.

A friendly amendment was made by Director Schuster, seconded by Director Duffy to add the last two paragraphs as follows:

And Whereas there is a necessity at the end of a fiscal year to make budget adjustments to reflect actual expenditures within each budget classification

Therefore be it resolved the Scranton School Board of Directors approves the Business Manager and Superintendent of Schools to make such adjustments where necessary to close out the 2018 fiscal year. A summary of Budget Transfer Adjustments will be reported to the Scranton School Board of Directors once all entries and transactions for fiscal year 2018 are complete.

The friendly amendment was seconded by Director Duffy and passed unanimously on roll call.

The resolution now passed unanimously on roll call.

ALSO

The following was submitted by Director Schuster.

B-15

The Superintendent of Schools and the Budget & Finance Committee present the following resolution for your consideration:

Whereas, the Scranton School District Board of Directors resolves to enter into a Payment in Lieu of Taxes ("PILOT") agreement with the Polish National Catholic Church;

And Whereas the District has been presented with such agreement and will receive \$2,500 annually in lieu of Real Estate Taxes;

December 19, 2018

Therefore be it resolved that the Scranton School Board of Directors approves the PILOT agreement with the Polish National Catholic Church.

The resolution was seconded by Director Duffy and passed unanimously on roll call.

ON THE QUESTION:

Director Schuster thanked the Polish National Church for coming forward with a PILOT program like this and hopes others might also come forward.

Director Casey echoed Mr. Schuster and asked if the district could possibly send out letters to others who may be interested to help.

Director Schuster recalled a discussion the other night the possibility of reaching out to the University of Scranton and the hospitals.

Attorney Audi informed that board that he looked into that possibility and every indication is that it is a possibility; he found some cases that would support the ability to do that.

The board thanked Mr. Audi for looking into it.

The following was submitted by Director Schuster

B-16

SCRANTON SCHOOL BOARD 2019 BUDGET

CONTENTS

- I. 2019 BUDGET – RESOLUTION TO FILE OF SOLICITOR NO. 1 – 2019 TAX LEVIES
- II. REAL ESTATE TAXES – RESOLUTION TO FILE OF SOLICITOR NO. 2 – 2019
- III. 511 TAXES – RESOLUTION TO FILE OF SOLICITOR NO. 3 – 2019
 - LEVY I: EARNED INCOME TAX
 - LEVY II: MECANTILE/BUSINESS PRIVILEGE TAX LICENSE
 - LEVY III: MERCANTILE TAX
 - LEVY IV: BUSINESS PRIVILEGE TAX
 - LEVY V: LOCAL SERVICES TAX
 - LEVY VI: REALTY TRANSFER TAX
- IV. GENERAL CONDITION–RESOLUTION TO FILE OF SOLICITOR NO. 4 - 2019
- V. APPOINTMENT OF TAX COLLECTOR-RESOLUTION TO FILE OF SOLICITOR NO. 5 – 2019
- VI. APPOINTMENT OF TAX COLLECTOR-EARNED INCOME TAX NO. 6-2019
- VII. DESIGNATION OF DEPOSITORIES FOR TAX COLLECTIONS-RESOLUTION TO FILE OF SOLICITOR NO. 7-2019
- VIII. APPOINTMENT OF ADMINISTRATIVE REVIEW OFFICER
- IX. TAXPAYER BILL OF RIGHTS/DISCLOSURE STATEMENT

FOR ACTION ON THE 19TH DAY OF DECEMBER, 2018

December 19, 2018

NO. 1 – 2019

2019 BUDGET:

BE IT RESOLVED that the Board of Directors of the School District of the City of Scranton hereby authorizes the expenditure of \$166,004,068 upon adoption of the Budget for the year 2019, copies of which are carried hereby and are available to the public.

BE IT FURTHER RESOLVED that the District Secretary shall file and advertise the Budget in accordance with law.

Director Casey seconded and motion passed unanimously on roll call.

The following was submitted by Director Schuster

NO. 2 – 2019

REAL ESTATE LAX LEVY:

BE IT FURTHER RESOLVED, that the Board of Directors of the School District of the City of Scranton hereby levies a tax 133.0949 Mills per One Thousand (\$1,000.00) Dollars of assessed valuation on real estate pursuant to authority of the Act of the General Assembly, March 10, 1949, P.L. 30, ART. VI, Sec 672, as amended.

Director Casey seconded and motion passed with five (5) affirmative and three (3) negative votes. Directors Gilmartin, McAndrew and Schuster voted in the negative.

The following was submitted by Director Schuster.

NO. 3 – 2019

LOCAL TAX ENABLING ACT OF 1965 511 TAXES:

BE IT FURTHER AND SEPARATELY RESOLVED:

That under authority of the Local Tax Enabling Act of 1965, Act 511, P.L. 1257, of the Act of the Assembly of the Commonwealth of Pennsylvania, and in compliance with the school laws of Pennsylvania, as amended, there is levied, claimed and imposed taxes for the calendar year 2019; and

That all Act 511 taxes, hereinafter levied under the Local Tax Enabling Act of 1965, are intended to generate the maximum amounts of tax revenues allowed and permitted by law; and that where the City of Scranton and/or the School District of the City of Scranton have perfected claims to proportionate shares of any of the hereinafter recited Act 511 taxes, that these claims shall persist and remain in force and effect; and that where a maximum legal levy has been hereby made that the same shall only be adjusted or reduced, in accordance with law, to that amount which shall represent the proportionate share of the School District of the City of Scranton; and

December 19, 2018

The subjects and subject matter of taxes levied by the School District of the City of Scranton for the year 2019 are intended to be within the limits of the School District of the City of Scranton, coterminous with the City of Scranton, while the aggregate of taxes collected by similar levies, if any, by the City of Scranton, are separate, distinct and apart from the taxes levied hereunder by the School District of the City of Scranton, unless otherwise provided by law, and shall be collected by tax collectors herein named and appointed or hereinafter named and appointed for which purpose there is continued, levied and imposed the following Act 511 taxes, separate Resolutions for each of which follow:

LEVY I:	EARNED INCOME TAX
LEVY II:	MERCANTILE/BUSINESS PRIVILEGE TAX LICENSE
LEVY III:	MERCANTILE TAX
LEVY IV:	BUSINESS PRIVILEGE TAX
LEVY V:	OCCUPATION PRIVILEGE TAX
LEVY VI:	REALTY TRANSFER TAX

WHEREFORE, the above taxes are continued for 2019, and shall continue in full force and effect unless repealed or amended by law or action of successor School Boards.

The resolution was seconded by Director Casey and passed unanimously on roll call.

Director Schuster asked that since he incorporated LEVY I through LEVY VI, in the above resolution if he has to read all of the resolutions.

Attorney Audi said he did not have to read all of them since he incorporated them above.

*The following 511 Tax resolutions were included in one roll call.

NO. 3 – 2019

511 TAX LEVY I: (EARNED INCOME TAX)

Continuing a levy of one (1%) percent being a tax imposed upon salaries, wages, commissions, earned income and other compensation of residents of the School District of the City of Scranton and upon net profits earned by such residents from all businesses, professions and all other activities, salaries, wages, commissions relating to earned income.

NO 3.-2019

511 TAX LEVY II: (MERCANTILE/BUSINESS PRIVILEGE TAX LICENSE)

Continuing a tax on all firms, persons and entities engaged in occupations and businesses at the rate of five (\$5.00) Dollars for the privilege of doing business; to be known as “SCHOOL LICENSE TAX”.

NO. 3 – 2019

December 19, 2018

511 TAX LEVY III: (MERCANTILE TAX)

Continuing and claiming a mercantile tax on person, firms and entities engaged in business, as follows: Wholesale dealers, or vendors at the rate of .000452 on each dollar of gross volume of business, on retail dealers or vendors at the rate of .000679 on each dollar of gross volume of business, based upon annual gross receipts for the year 2019, or by rules and regulations, as applicable, and/or for succeeding years thereafter, to be known as “MERCANTILE TAX”.

NO. 3 – 2019

511 TAX LEVY IV: (BUSINESS PRIVILEGE TAX)

Continuing a tax upon the privilege of engaging in a business at the rate of .00513 per dollar of gross annual receipts, (5.13 per \$1,000) to be known as “BUSINESS PRIVILEGE”, based upon annual receipts for the preceding year i.e., 2019.

NO. 3 – 2019

511 TAX LEVY V: (LOCAL SERVICES TAX)

Continuing a tax of five (\$5.00) Dollars on each individual engaging in an occupation, as defined by statute; to be known as “LOCAL SERVICES TAX”.

NO. 3 – 2019

511 TAX LEVY VI: (REALTY TRANSFER TAX)

Continuing a tax on the transaction of the transfer of real property. Each person who accepts the delivery of any document of on whose behalf delivery of any document is accepted shall be subject to paying tax of one-half (1/2) of one (1%) percent of the value of the property represented by each document, excepting those excluded by law, to be known as “REALTY TRANSFER TAX”, the collection which shall be through the Recorder of Deeds in and for Lackawanna County, Pennsylvania, for which purpose the said Recorder of Deeds is hereby deputized.

Director Casey seconded and the 511 TAX LEVIES passed unanimously on roll call.

***End 511 Taxes**

The following was submitted by Director Schuster.

NO. 4 – 2019

GENERAL CONDITIONS:

December 19, 2018

In order to fully effectuate the tax levies, their implementation and collection, the District Secretary and/or the District Solicitor are hereby authorized and directed to act on behalf of the School District in all matters necessary in carrying out the intent hereof, including, but not limited to, legal advertisement of same where required.

All of the said levies are made in order to fund the general accounts of the School District in the conduct of a thorough and efficient public school system, in trust to the Board of Directors of the School District of the City of Scranton.

Accordingly, all of the actions are collectively and individually intended to continue in effect all previous actions taken on like and similar matters, subject, only to any amendments herein. To effect the tenor hereof, all previous enactments or funds appropriated on matters herein set forth shall be so adjusted, conformed and compounded, including, but not limited to, budget appropriations made to or on behalf of the Act 511 Tax Collector, and the administrative and salaried staff as supervised by him, and the rules and regulations as published with the enactment or reenactment of Act 511 taxes which action shall commence January 1, 2019.

The resolution was seconded by Director Casey and passed unanimously on roll call vote.

The following was submitted by Director Schuster.

NO. 5 – 2019

APPOINTMENT OF REAL ESTATE AND/OR 511 TAX COLLECTOR

BE IT RESOLVED that William Fox and/or his legal successor, is recognized and/or appointed as the Collector of Taxes for the year 2019 or until withdrawn by action of the Board of Directors of the School District of the City of Scranton for levies as follows:

1. Real Estate Taxes
2. Local Services Tax
3. Business Privilege Tax
4. Mercantile Tax
5. School License Tax

BE IT FURTHER RESOLVED that the Board of Directors of the School District of The City of Scranton shall require the posting of adequate bonds in conformity with law and/or based upon previous practice in these same premises which shall be properly approved by Court and/or the District Solicitor and filed with the District Secretary.

The resolution was seconded by Director Casey and passed unanimously on roll call.

The following was submitted by Director Schuster.

December 19, 2018

NO. 6 – 2019

APPOINTMENT OF 511 TAX COLLECTOR/EARNED INCOME TAX COLLECTOR

Whereas the Scranton School District has levied, assessed, and provided for the collection of certain local taxes in compliance with and pursuant to the Authority of Local Tax Enabling Act of 1955, Act 511, P.L. 1257 of the Act of Assembly of the Commonwealth of Pennsylvania and in compliance with the school laws of Pennsylvania; and

- Whereas, the Scranton School District is a member of the Lackawanna County Tax Collection Committee (TCC) pursuant to Act 32 of 2008; and
- Whereas, the TCC has hired Berkheimer Associates to collect Earned Income Taxes as levied by the Scranton School District, including said Earned Income Taxes that are or may become delinquent; and
- Whereas, pursuant to Act 192, of 2003-2004 General Assembly of the Commonwealth of Pennsylvania, the Scranton School District has the right to impose a cost of collection on Earned Income Taxes that become delinquent and or remain due and unpaid.

Now therefore be it resolved that the Scranton School District hereby authorizes the following:

1. The Scranton School District appoints Berkheimer Associates as it Earned Income Tax Collector for the initial tax year beginning January 1, 2019 and continuing through December 31, 2019.
2. The Scranton School District approves and adopts the Cost off Collection Schedule, attached hereto “Exhibit A” and made part of the Resolution, to be imposed by Berkheimer Associates and any taxpayer whose Earned Income Tax becomes delinquent and/or remain due and unpaid; and
3. Berkheimer Associates is authorized to retain said costs of collection set forth in the attached Cost of Collection Schedule incurred in recovering delinquent taxes and assessed to the delinquent taxpayer as allowed by law.
4. This authorizing resolution is effective immediately upon approval.

The resolution was seconded by Director Casey and passed unanimously on roll call.

The following was submitted by Director Schuster.

NO. 7 – 2019

DESIGNATION OF DEPOSITORIES FOR TAX COLLECTIONS:

BE IT RESOLVED THAT First National Bank, Clarks Summit, Pennsylvania, be hereby designated depository in which the funds and monies in the custody of William Fox, and Berkheimer Associates, or their legal successors, may be deposited.

The resolution was seconded by Director Casey and passed unanimously on roll call vote.

December 19, 2018

The following was submitted by Director Schuster.

NO. 8 – 2019

SUBJECT: APPOINTMENT OF ADMINISTRATIVE HEARING OFFICER

BE IT RESOLVED that William Fox and/or his legal successor, is recognized and/or appointed as the Administrative Hearing Officer pursuant to Act 50 of 1998 at Section 8430(4) and shall continue to provide the taxpayer review or appeal process as was in offered on the effective date of this statute (Act 50 of 1998)

BE IT FURTHER RESOLVED that any and all forms, rules, as well as practices or procedures previously utilized by the tax collector on the effective date of this statute be adopted.

The resolution was seconded by Director Casey and passed unanimously on roll call.

The following was submitted by Director Schuster.

NO. 9 – 2019

SUBJECT: TAXPAYER BILL OF RIGHTS/DISCLOSURE STATEMENT

BE IT RESOLVED that pursuant to Act 50 of 1998, at Section 8423, the attached Taxpayer Bill of Rights and Disclosure Statement be adopted.

[..\Documents\Taxpayers Bill of Rights Disclosure Statement 2019 attachment to No 9.pdf](#)

The resolution was seconded by Director McAndrew and passed unanimously on roll call.

The following was submitted by Director Schuster.

B-17

It is the recommendation of the Superintendent and the Budget and Finance Committee that the following is approved:

WHEREAS, the improvement of Deteriorating Real Property or Areas Tax Exemption Act, 72 P.S. 4711-101 et seq. enacted by the General Assembly of the Commonwealth of Pennsylvania authorizes local tax authorities to exempt improvements to certain deteriorating residential property and areas; and

WHEREAS, the New Home Construction Local Tax Abatement Act, 7; P.S. § 4754-1 et seq., enacted by the General Assembly of the Commonwealth of Pennsylvania authorizes local taxing authorities to exempt improvements to certain unimproved residential real property; and

December 19, 2018

WHEREAS, the School District of the City of Scranton, in an effort to expand its tax base, desires to further encourage improvement to deteriorating property and areas within the City of Scranton; and

THEREFORE BE IT RESOLVED, the Scranton School Board in conjunction with the City of Scranton and Lackawanna County, hereby approve the attached as requested by the Council of the City of Scranton.

The resolution was seconded by Director Casey.

ON THE QUESTION:

Director Schuster recalled that the board recently asked how the LERTA would be affected by a board vote if they decided not to approve it.

Dr. Kirijan reported the following; She reached out and received an answer from the Chamber of Commerce President and CEO Bob Durkin and his team, and what she was told is that if the school district chooses not to participate in the proposed LERTA program, the City of Scranton can do it alone and the legal answer is yes; the board could conceivably not vote to participate but practically speaking, failure by the district to partner with the city on this would likely result in the City of Scranton rescinding the measure for several reasons; one being without both taxing bodies in agreement the county would probably not approve the action given that the district represents the highest percentage of property tax liability and the appeal to perspective participants would greatly be diminished. Separate standards for the city and the school district would add confusion to an already challenging property tax alignment. The situation would negate one of the strengths of the concepts that a unified community initiative that signals to homeowners and businesses that all parties are working together for the long term betterment of the city and citizens and another question was what would prevent someone from leaving the city after the 10 years of the abatement and from the standpoint of tax revenue the question is moot. After 10 years the property owner, be it a homeowner or a business, will be responsible for payment of the new higher liability on the entire property – the base and the improvement. There would be no incentive or benefit to moving as they would owe the taxes irrespective of occupancy. Those are the two questions the board asked, she provided the answers and Amy Luyster from the Chamber of Commerce is present this evening to answer any more questions from the board.

Director Dixon wanted clarification, so she understands correctly, that from a commercial or residential point the district is not losing revenue from the taxes they're losing revenue from any kind of improvements but not losing revenue.

Dr. Kirijan responded that is correct.

Amy Luyster from the Chamber of Commerce added that it only applies to property taxes, not to wages or any other measurements.

Dr. Kirijan also added to clarify the abatement is only on improvements to a property.

Ms. Luyster agreed.

December 19, 2018

Director Dixon confirmed that if it is just land the district is still getting taxes on the land.

Ms. Luyster said that is correct unless there is site work done on the land to improve it.

Director Gilmartin made a motion to table as she thinks there are so many good points about all of this, she has a lot of reason to be in favor of it yet she has a nagging angst about tax abatements in general. Ms. Gilmartin added that due to the business she is in and this time of year, she hasn't had the ability to review and ask the questions she'd like to ask, she also had several conversations about abatements and how successful they were in the Pittsburgh, Allentown and Philadelphia areas but those are very different cities than Scranton and she would like to understand how their successes would apply to Scranton and would like more time to look into that and bring this back to the table in January or February.

Director Schuster seconded the motion to table and asked if they could schedule a presentation on the successes of other cities doing this.

Dr. Kirijan responded that she has some information that Mr. Durkin from the Chamber of Commerce provided. Dr. Kirijan reported that the information is about local residential tax abatement and talks about the Village at Tripp Park, it was a 10 year KOZ and the prior market valuation was \$261,600.00; 138 new homes were built there and the post market valuation is \$22,625,934.00. Dr. Kirijan also said that Mr. Durkin indicated that in Philadelphia residential areas, he is looking at projection in 2026 and they anticipate an additional \$169.4 million in annual real estate taxes and a home building increase of 367%. Mr. Durkin provided examples of local commercial e.g., the North Point Development in Wilkes Barre had 172 acres, \$200 million of a community investment and creation of 2,000 jobs. Lehigh Valley commercial had 4,092 full time jobs were created and \$9 million in tax revenue; that is what Mr. Durkin provided as examples which is what he went over the other night when he presented to the board.

Ms. Luyster added that Pittston and Hanover are also LERTA approved; sister communities in our geographic area.

Director Schuster asked if the Hanover piece is the property off the Nanticoke exit.

Ms. Luyster said that is North Point and there is no loss of revenue in current taxes with a LERTA.

Director Schuster asked if there are any sections in the city that have been identified as a place they would do something similar to this.

Ms. Luyster said not right now however they have been working in conjunction with community revitalization plan to identify some areas that are appropriately aligned with the EOZ program as well as areas that could be identified for future adaptive use and that will come as they put that together.

Director McAndrew clarified that this could apply to a commercial building now that can be renovated vs. the development of residential. Ms. Luyster responded that is correct.

December 19, 2018

Director Schuster asked if it is only internal renovations that are considered improvements. Ms. Luyster said correct.

Director Duffy reiterated what he said at the work session that he is in favor of promoting this; it is a great step for the city and thinks if they can work together they can entice businesses to come to Scranton. Mr. Duffy added that he took advantage of KOZ when he built his home about 17-18 years ago and it did impact his decision whether to buy land or build and he is excited to move forward with this.

Roll call on the motion to table failed with three (3) affirmative and five (5) negative votes. Directors Casey, Duffy, Lesh, Popil and Dixon voted in the negative.

The resolution now passed with seven (7) affirmative and one (1) negative vote. Director Gilmartin voted in the negative.

ALSO

The following was submitted by Director Popil.

C-2

It is the recommendation of the Superintendent and the Technology Committee that the following resolution be approved:

WHEREAS, in October 2017 the Scranton School District was audited by the Auditor General and received audit findings; and

WHEREAS in the District's response to the audit the District provided remedy to the finding; and

WHEREAS the District also committed to an audit of the IT Department; and

THEREFORE BE IT RESOLVED the Scranton School Board is requesting an audit of the IT Department to be completed by the Auditor General.

The resolution was seconded by Director Schuster.

ON THE QUESTION:

Director Lesh said he believes there has already been an audit of the IT Department and asked why it is being done again.

Dr. Kirijan responded yes, the IT Department was part of the Auditor General's audit. Dr. Kirijan reported that the board, in response to the Auditor General's findings, the finding was remedied, but the board at the time requested that we do an audit of the IT Department so the solution was that PFM was going to assist in doing the IT audit. Dr. Kirijan further reported that PFM started to assist in doing the audit and there were some staffing difficulties and the audit was stalled because there is much information that the IT

December 19, 2018

Director at the time would be able to answer but that person retired. The responsibilities were shifted over to three other departments, those chiefs were getting accustomed to the IT Department and when PFM started to request information they began to request it from Mr. Laffey. Dr. Kirijan continued that Mr. Laffey at the time, because there was a retirement of the Chief Financial Officer, was unable to meet the demands of the Budget and Finance Office and take this on as another responsibility. In finding a way to get this done in the resolution C-1, she is asking for assistance from the NEIU for them to come in and help oversee the projects that are stalled and this is one of those projects. The Administration's solution is to contract with the NEIU for \$2500/month for their IT Director to assist the district for an unspecified time, the relationship can end at any time and if the person assists for one year the total cost would be \$30,000 which would be a tremendous savings to the district as opposed to hiring another IT Director at this time. Dr. Kirijan added that just a few weeks ago the board suggested that the IT audit be conducted by the Auditor General and a resolution was requested in that fashion, she sent a resolution to the board asking for six months to allow them to work with the NEIU IT Director, PFM and the district's own people to get this audit done; the board at the last meeting, requested that she remove the six months and write the resolution plain and simple that the board wants the Auditor General to do the IT audit. In the newspaper not too long ago the Auditor General said he wants the district to get ready for his audit and from her standpoint she feels she needs the opportunity to do the work with her staff, with PFM and the additional help from the NEIU IT Director in order to prepare for the audit. Dr. Kirijan feels as though the Auditor General is coming in anyway and she as the superintendent would like the opportunity in resolution C-1 to get the work done that was stalled.

Director Lesh responded that he agrees with Dr. Kirijan, it seems a little redundant that the board needs to ask the Auditor General to come in if he already is coming in and he believes Dr. Kirijan should have ample time along with the IT Department to do what they need to do.

Director Schuster thinks there are two sides to this, one being is they are looking for additional funding from the state and we're trying to show the state that they're doing their best effort to control expenditures and also looking at some of the Auditor General's findings, one that the board did push was the health benefits being paid for a non employee and the finding didn't say misuse, abuse or fraud but they did push it through and there were findings like that, and this specific finding in the IT Department does say misuse, abuse and possible theft so he stands firm and he thinks in order to show the state they are doing their due diligence to clean up some of the things of the past this needs to occur.

Director Lesh questioned if possible theft is in writing.

Director Schuster asked Mr. Laffey what finding # it was in the Auditor General's report.

Mr. Laffey did not know at the moment.

Director Lesh asked for clarification of that before there are accusations of theft.

Director Schuster said he was quoting from the report.

December 19, 2018

Director Lesh and Director Schuster expressed some disagreement, President Dixon attempted to regain order and Mr. Lesh asked not to be interrupted.

Mr. Lesh continued and said that Mr. Laffey cannot give an adequate answer and it's all a possibility of theft and that tells him that the Superintendent needs the time and resources for this audit.

Dr. Kirijan responded that they did an inventory following the audit and it did not show theft or missing computers but what the auditors pointed out to her is that one computer was unaccounted for and the explanation for that was that the computer was sent away to be repaired and a replacement was sent back in its place with a different number because it was a new machine. Dr. Kirijan said they've done an inventory and she believes when the Auditor General comes they will sit with the superintendent and ask if there are things that are on her mind and she thinks Mr. Popil will agree, having done this work will understand what she is saying and she does point out things that are on her mind that she has heard from board members or the staff and they are happy to look into those things so when the Auditor General returns, administration will have their work completed and reported back to the board and at that time it does not preclude the Auditor General from when they come back to the district we'll be looking into the IT Department once again to see if we answered the findings in the report.

President Dixon reiterated from the recent Budget and Finance meeting that PFM recommended that the district conduct do their own audit first; Mr. Gretton agreed.

Director Popil asked Dr. Kirijan when the NEIU Director will be coming in to do these services.

Dr. Kirijan replied that they are willing to start immediately.

Director Popil said that being the case he would like to make a motion to table this for a month to see what progress we're getting from the IU before they involve the Auditor General's office adding there is a section of the audit, it's in all audits, called Status of Prior Years Findings and Recommendations and that is the first thing the Auditor General's office will look at and what action was taken, if corrective action was taken and if it is satisfactory to the Auditor General that progress was made and with that being said Director Popil made the motion to table the resolution.

Director Duffy seconded the motion adding that the reason he is seconding the motion is he feels like the motion will not pass tonight and he doesn't want to rule out the possibility to have the Auditor General come in and if things aren't going correctly with the audit or if there is anything we find at any point that leads to theft or anything similar to that it is something out of their hands and in to the authorities hands.

Director Schuster mentioned Finding #9, which reads "IT inventory records for unassigned equipment were incomplete and unreliable, thus increasing the risk of loss, theft and misuse"; Mr. Schuster reminded the board that when the board talked about the non employee receiving benefits, none of that language was used in that, but when we asked to come in, they did find some of those things in that finding and he would suggest the board go ahead and do it with this.

December 19, 2018

Dr. Kirijan, in response to Mr. Schuster said she is a little confused and asked if they asked for the Auditor General to come in or the Attorney General.

Director Schuster replied the Attorney General.

Dr. Kirijan said she thinks they are confusing the two bodies and the Attorney General came in and pursued what Mr. Schuster is talking about and in that Finding #9 what the Auditor General is saying is they were putting the district on notice, that they have to tighten up controls if the inventory or there could be theft, loss, or damage so that is why the help of NEIU is needed to do the things they are going to try to do with the help of PFM to get everything tightened up so they are no longer at risk.

Director McAndrew expressed that it is almost a year ago they promised corrective action to the Auditor General and they were going to do an audit and we haven't, so while under watch, in every other department they had everybody else come in with a second set of eyes whether it was the Special Ed department or the business office, so what is wrong with another set of eyes coming in to help us out with this department.

Dr. Kirijan replied that we would have that with PFM.

Director Schuster again reminded that when they were seeking state funding, with cleaning up some of the things done in the past and making sure we're 100% moving forward so he will be voting against the motion to table.

Director Casey indicated that he will be abstaining due to his employment with the Auditor General.

Upon roll call the motion to table passed with four (4) affirmative, one (1) abstention and three (3) negative votes. Director Casey abstained. Directors Gilmartin, McAndrew and Schuster voted in the negative.

The following was submitted by Director Popil.

C-1

It is the recommendation of the Superintendent and Technology Committee that the following resolution be approved:

WHEREAS, the Scranton School District strives to ensure that its students, faculty and staff have the necessary technology to learn and work without interruption; and

WHEREAS, the Northeastern Educational Intermediate Unit will provide a technology specialist to assess and evaluate technology projects throughout the District as per the attached agreement and assist PFM with the IT audit; and

THEREFORE BE IT RESOLVED, the Scranton School Board hereby approves the agreement between the Scranton School District and the Northeastern Educational Intermediate Unit for Technology Program Evaluation and Management.

December 19, 2018

The resolution was seconded by Director Lesh.

ON THE QUESTION:

Director Schuster made a motion to table the resolution. Director McAndrew seconded.

The motion to table failed with two (2) affirmative and six (6) negative votes. Directors Casey, Duffy, Gilmartin, Lesh, Popil and Dixon voted in the negative.

Director Schuster said that he is in favor of a technology specialist from the NEIU to assess and evaluate technology projects but he would like to make a friendly amendment to omit the 'IT Audit' wording. Director McAndrew seconded.

President Dixon asked for clarification that Mr. Schuster is asking for a friendly amendment indicating that the IU is not involved in the audit.

Director Schuster replied yes, that what was supposed to occur is that NEIU was going to come in and manage the IT Department plus provide oversight.

Dr. Kirijan responded that oversight and management of stalled projects, the IT Audit is a stalled project and she has repeated that for weeks.

Director Casey asked if the language Dr. Kirijan just used to include the IT Audit and the rest of the scope.

Dr. Kirijan responded the language is there, in paragraph II, to assist PFM with the IT Audit; Dr. Kirijan asked Mr. Schuster what he is requesting the change to be.

Director Schuster said that the resolution only deals with the audit; that is how he is reading it.

Dr. Kirijan responded no, in the last paragraph, 'Therefore be it resolved', includes Technology Program Evaluation and Management.

Director Schuster again said he is asking for friendly amendment to omit the IT Audit. Director McAndrew seconded again.

Dr. Kirijan responded that is not what she is requesting; she wants the NEIU to be available to assist PFM with the IT Audit and asked Mr. Gretton if she understands correctly that PFM would utilize the NEIU to assist PFM with the audit.

Mr. Gretton responded yes, it would help with the additional expertise and assist with the audit.

Upon roll call, the resolution C-1 as first submitted in its entirety, no friendly amendment passed with seven (7) affirmative and one (1) negative vote. Director Schuster voted in the negative.

December 19, 2018

The following was submitted by Director McAndrew.

D-5

It is the recommendation of the Superintendent and the Education Committee that the following resolution is approved:

WHEREAS, PA Schools Work is a coalition of organizations from across Pennsylvania working together to advocate for Pennsylvania public schools, their students and the communities they serve; and

WHEREAS, PA Schools Work mission is to ensure that every child regardless of their background or where they live is attending a public school that has the funds necessary to help them succeed; and

WHEREAS, PA Schools Work action summit is looking for two leaders from each Pennsylvania school district to advocate for adequate and fair public education funding; and

THEREFORE BE IT RESOLVED that the Scranton School Board hereby appoints Alexis Kirijan, Superintendent, Patrick Laffey, Business Manager and Board Members Paul Duffy, Katie Gilmartin and Barbara Dixon to represent the Scranton School District with PA Schools Work.

The resolution was seconded by Director Duffy.

ON THE QUESTION:

Director Dixon said she would like to add and offer to all board members, because there's no limit on how many can represent the school district, Ms. Gilmartin voiced her interested to be part of it and Mrs. Dixon has already met with the Ambassador of the program so if there is anyone else who would like to add their name to this initiative an amendment can be made to add names to the resolution.

Director Schuster made motion for friendly amendment to add his own name, seconded by Director Duffy.

Director McAndrew asked if they would be rotating or if just asking for names and if they have to be listed. Dr. Kirijan said yes, the names have to be listed.

Director Dixon said yes, they could rotate.

Dr. Kirijan mentioned that there is a lot of work to do so the more hands on deck the better and she believes the people identified in this core group will be the people who will go to the meetings to bring back information to the rest of the board and there is opportunity to get all involved in some way or another because it is not just four or five people, they are looking for everyone to be involved in this initiative.

Director Schuster suggested maybe add the wording 'alternate delegates'.

December 19, 2018

President Dixon asked Solicitor Audi if the actual names are needed.

Attorney Audi responded no, only a roll call vote.

Director Dixon again wanted to be sure everyone knows they are invited to participate and they can make an amendment to the resolution.

Dr. Kirijan said that there was a sample resolution provided by PA Schools Work and it did ask for the names to be appointed by the board. Dr. Kirijan added that they would have to register by name and communicate through email. Dr. Kirijan thinks everyone can be involved but particularly need someone who is going to hold it together in case they are rotating and no one goes.

Director Schuster said that is why he is suggesting alternate delegates in the event someone can't make it, if he is able to he can go in their place.

Dr. Kirijan thinks it should say more than just a name and that they are adding any alternate delegates when there are openings.

The motion for friendly amendment to add Mr. Schuster and any alternate delegates made by Director Schuster, seconded by Director Duffy passed unanimously on roll call.

The original motion of D-5 passed unanimously on roll call.

The following was submitted by Director Gilmartin.

I-1

It is the recommendation of the Superintendent and the Policy Committee that the following resolution be approved:

WHEREAS, the Scranton School District strives to ensure that it maintains effective records management; and

WHEREAS the Records Retention Schedule establishes mandatory minimum retention periods for records that are associated with public school districts; and

NOW THEREFORE BE IT RESOLVED that the Scranton School Board approves the adoption of the Records Retention Schedule and Student Records Recommended Policy as per the attached.

The resolution was seconded by Director Lesh.

ON THE QUESTION:

Solicitor Audi wanted to inform everyone that he was asked to provide this Records Retention Policy; it's a policy that has been developed by his firm and he compared it to the

December 19, 2018

Scranton School District policy and it is completely in compliance with both the Scranton School District and the law.

Director Schuster questioned if there is an issue of storage and is it possible to keep the board records forever.

Dr. Kirijan replied that a resolution was passed by the board that board records would not be destroyed in any way for any period of time and that the board policy would super cede this retention document. Dr. Kirijan added that there was discussion about time and being able to do some electronic storing of some records but it's not a project we're ready to start yet but she hopes to get it done but this records management schedule does not trump the board's policy.

Director Schuster referred to official school policies that are retained until 5 years after a policy is changed and he requested a copy of the 2011 Fraud Policy. Dr. Kirijan said she would provide it to him.

The resolution now passed unanimously on roll call.

The following was submitted by Director Gilmartin.

I-2

It is the recommendation of the Superintendent and the Policy Committee that the following resolution be approved:

WHEREAS, The following policies 005 and 626.1-first read has been *revised* by the Scranton School District School Board Policy Committee, and

POLICY NUMBER	POLICY REVISIONS
Policy 005	Organization
Policy 626.1	Travel Reimbursement-Federal Programs

NOW THEREFORE BE IT RESOLVED that the Scranton School Board hereby approves *revisions* to Policy Number 005 and 626.1 as a first read recommended by the Scranton School District School Board Policy Committee.

The resolution was seconded by Director Lesh.

ON THE QUESTION:

President Dixon commended Director Gilmartin for the work she is doing with the policies and didn't know if anyone else feels the same but, having to deal with two vacancies on top of it being Budget time it's been difficult to read through all of the policies that are introduced at the last committee meeting and she is asking if everyone is okay with taking the Board Operating Guidelines and moving them to a January committee meeting so they

December 19, 2018

can review them further, have more time to absorb and perhaps Solicitor Audi may have some suggestions.

Director Gilmartin responded that she thinks they have been discussed at length at several policy committee meetings, they've been shared, they reviewed them and she certainly thinks they had the opportunity to talk through them and as Mr. Audi has been at the table she has kept him abreast of the changes and he has been a part of the conversations as well.

Director McAndrew asked if the policies are 2nd or 3rd read.

President Dixon said they are 1st read and Policy 626.1 is not part of the Board Operating Guidelines.

Dr. Kirijan responded that 626.1 has been updated by recommendation of PSBA the amount of reimbursement for meals and the amount has been identified rather than just a reimbursement.

Director Casey asked if all of the policies have a minimum of one more read.

Director Gilmartin said 005 and 626.1 have another read, the next group does not, they are all 2nd read and many of those have been reviewed and received a couple times.

Dr. Kirijan said Policy 005 is a board policy and that is up to the board to decide how to handle that but she believes what she is hearing from Mrs. Dixon is that the board has two new board members that will be on board and would like them to have the opportunity to have input and asking to table 005, and 626.1 is an Administrative policy recommended by PSBA to add the dollar amount for meals included in the travel reimbursement so she believes from an Administrative point hopes the board will allow that and move forward with 626.1.

President Dixon responded that is fine with her and looking at legislative updates on all of the Board Operating Guidelines she is considering the new people coming on board.

Director Gilmartin responded that policy should be something that exists outside the player's table and shouldn't be something dictated by new board members.

President Dixon agreed but feels the new board members should have input on it as well as policy is a very important part of how the board operates and feels all of this is rushed.

Director Lesh agreed that it feels rushed and the incoming board members will be spending the next year here.

Director Schuster understood 626.1 is PSBA recommended and asked for an overview of the changes in Policy 005.

Director Gilmartin expressed that she didn't know anybody was that interested in policy until eleven months ago; and answered Mr. Schuster that the changes in 005 was to bring the committee list in line with what was approved at the November meeting.

December 19, 2018

Director Schuster again asked if that was the only change.

Director Gilmartin responded yes, adding there was discussion at the October 15th meeting she believes they reviewed four versions of new committees and they came to a consensus, brought it to the board for a vote in November and it was approved and now they need to align Policy 005 to Policy 006 and that is what is happening here and in no way impacts the president's right to establish ad hoc.

Dr. Kirijan said that in Policy 005 there was a request recently to align that policy with your other policies.

Director Gilmartin said she thinks it was overlooked and she did reiterate it recently then Policy 006 came through a few weeks ago and Policy 005 also references the committees.

Dr. Kirijan commented that just today she and Mr. Gentilezza talked about Policy 005, were trying to locate the section of the policy related to committees and that they weren't listed but hidden in paragraph form so she believes this is the first time all of the board is seeing it listed this way.

Director Gilmartin responded that it is that same as Policy 006.

Dr. Kirijan said the content is the same but the layout is different.

Director Schuster asked Ms. Gilmartin if the layout of the eight committees coming down from sixteen committees is aligned with that.

Director Gilmartin responded that she believes so.

Director Schuster questioned having an alternate list of committees.

President Dixon said she talked with Ms. Gilmartin and after looking at all of the policies she suggested to Ms. Gilmartin that they change some of the committee structure and talk about it as a board because for example the Technology Committee is included in the Education Committee and there was discussion of a whole new information system this year, Purchasing should probably be part of the Budget and Finance Committee, so she was just throwing it out there but if they are not in favor that's fine but she is saying how she feels that they are inundated with these BOGs (Board Operating Guidelines) and with the budget and everything else going on it's been difficult to keep up with all of it.

Director Schuster wanted to be sure of the timeline and that all of this was discussed at a committee meeting or work session, the board decided on something, this is the first read and now we're looking at going back to the table with it, specifically Policy 005.

Director Gilmartin said essentially yes.

Dr. Kirijan asked if Policy 005 is a first read; Ms. Gilmartin said yes.

December 19, 2018

Dr. Kirijan responded that it is not something that needs to pass tonight, 005 is a first read and over 30 days you would receive input until the 2nd read and that is when the changes will be made after the first read and in between the first and second read if anyone wants to discuss anything in 005 they would take it to the policy committee and the committee would review and bring those changes to the board at the work session.

Director Dixon clarified that any changes will be brought to Ms. Gilmartin first then it will be discussed at the work session. Dr. Kirijan replied correct.

Director Gilmartin suggested they have a Policy Committee meeting in January.

Director Schuster asked if there are any benefits to streamlining the committee process.

Dr. Kirijan answered absolutely and her opinion is the board should work as a whole instead of having all of these different committees. Dr. Kirijan added that across the state she has found that 6-8, may 9 committees is the norm, that 17 committees is excessive and by having only 8 or 9 each board member is a part of a committee and she is almost certain that the policy says that the superintendent and the Chair of the Board are members of all committees so when a committee meeting is held she is present.

President Dixon agreed that it was highly recommended at PSBA Board Member Training that the superintendent is present and also that our district had too many committees.

Director Schuster confirmed that we're now looking to have 8 or 9 committees.

Director Gilmartin said that 8 committees were approved.

Director Casey asked if they can table just 005.

President Dixon said that she is fine taking it to the work session for further discussion.

Director Schuster asked Mr. Audi his experience in other districts with multiple boards.

Attorney Audi said he has never seen a board have seventeen committees and even nine committees is on the higher side.

Director Duffy commented that he has a lot of faith in Director Gilmartin and appreciates her work and confident that they're done correctly whether there is one update or ten updates he has complete faith in Ms. Gilmartin and he is okay with moving forward.

President Dixon asked for roll call, Mrs. Orr and Dr. Kirijan both asked if both 005 and 626.1 is being voted on; it was confirmed that the resolution as it stands.

The resolution passed unanimously on roll call.

The following was submitted by Director Gilmartin.

December 19, 2018

I-3

It is the recommendation of the Superintendent and the Policy Committee that the following resolution be approved:

WHEREAS, The following policies and Board Operating Guidelines second read has been revised and implemented as recommended by the Pennsylvania School Board Association (PSBA), and

POLICY NUMBER	POLICY REVISIONS
Policy 006	Meetings
Policy 108	Adoption of Textbooks
Policy 246	School Wellness
Policy 311	Reduction of Staff
Policy 704	Maintenance
Policy 806	Child Abuse
Policy 808	Food Services

Board Operating Guideline NUMBER	Board Operating Guideline REVISIONS
Board Operating Guideline 006-BOG-0	Public Notice of Board Meetings
Board Operating Guideline 006-BOG-1	Official Board Minutes
Board Operating Guideline 006-BOG-2	Abstention for Conflict of Interest Memorandum
Board Operating Guideline 006-BOG-3	Meeting Cancellation
Board Operating Guideline 004-BOG-2	Scranton School District Board Candidate Scoring Rubric

NOW THEREFORE BE IT RESOLVED that the Scranton School Board hereby approves as second read the revisions and implementation of the above policies and Board Operating Guidelines as recommended by the Pennsylvania School Board Association (PSBA).

The resolution was seconded by Director Lesh.

ON THE QUESTION:

President Dixon asked when a policy is in second read, what are the options if they have a concern with the 2nd read.

Attorney Audi replied that if there is a concern about a second read you should raise that before the final passage.

ALSO

The following was submitted by Director Gilmartin.

December 19, 2018

I-4

It is the recommendation of the Superintendent and the Policy Committee that the following resolution be approved:

WHEREAS, The following Board Operating Guideline 004-BOG-1 second read has been revised by the Scranton School District Policy Committee; and

Board Operating Guideline NUMBER	Board Operating Guideline REVISIONS
Board Operating Guideline 004-BOG-1	Filling a Board Vacancy

NOW THEREFORE BE IT RESOLVED that the Scranton School Board hereby approves the revised Board Operating Guideline 004-BOG-1 as recommended by the School District Policy Committee.

The resolution was seconded by Director Casey and passed unanimously on roll call.

ALSO

The following was submitted by Director Gilmartin.

I-5

It is the recommendation of the Superintendent and the Policy Committee that the following is approved:

WHEREAS, sub-committees allow board members and administrators the opportunity to discuss details in a public forum regarding specific issues within departments and make recommendations to the full board; and

WHEREAS, the current Committee List consists of seventeen (17) committees, and the desire of the Policy Committee is to merge committees; and

THEREFORE BE IT RESOLVED, the Scranton School Board hereby adopts the newly created list of Committees.

The resolution was seconded by Director Casey.

ON THE QUESTION:

Director Gilmartin made a motion to table as the information is incorrect. Director McAndrew seconded and the motion to table passed unanimously on roll call.

ALSO

December 19, 2018

The following was submitted by Director Gilmartin.

I-6

It is the recommendation of the Superintendent and the Policy Committee that the following resolution be approved:

WHEREAS, The following Administrative Regulations 304-AR-11, 304-AR-12, and 304-AR-13-first read has been *revised* by the Scranton School District School Board Policy Committee, and

POLICY NUMBER	POLICY REVISIONS
Administrative Regulation 304-AR-11	The Administrative Hiring Process
Administrative Regulation 304-AR-12	The Professional Employee Hiring Process
Administrative Regulation 304-AR-13	The Paraprofessional Hiring Process

NOW THEREFORE BE IT RESOLVED that the Scranton School Board hereby approves *revisions* to Administrative Regulations 304-AR-11, 304-AR-12 and 304-AR-13 as a first read recommended by the Scranton School District School Board Policy Committee.

The resolution was seconded by Director Lesh and passed unanimously on roll call.

ALSO

The following was submitted by Director Gilmartin.

I-7

It is the recommendation of the Superintendent and the Policy Committee that the following resolution be approved:

WHEREAS, The following Administrative Regulations 304-AR-14 and 304-AR-15-first read has been *implemented* by the Scranton School District School Board Policy Committee, and

POLICY NUMBER	POLICY REVISIONS
Administrative Regulation 304-AR-14	The Clerical Employee Hiring Process
Administrative Regulation 304-AR-15	The Non-Certified-Maintenance Staff Hiring Process

NOW THEREFORE BE IT RESOLVED that the Scranton School Board hereby approves to *implement* Administrative Regulations 304-AR-14 and 304-AR-15 as a first read recommended by the Scranton School District School Board Policy Committee.

The resolution was seconded by Director Lesh and passed unanimously on roll call.

ALSO

December 19, 2018

The following was submitted by Director Casey.

J-2

The Superintendent of Schools and the Personnel Committee present the following resolution for your consideration:

WHEREAS, Millennium Administrators, the District's Healthcare Consultant have gone to market to obtain stop loss insurance quotes.

AND WHEREAS, Companion Life and Vista Underwriting, the District's current Stop Loss carrier provided the most competitive quote at an estimated annual premium of \$970,369.

THEREFORE BE IT RESOLVED the Scranton School Board of Directors approves the Stop Loss Renewal with Companion Life and Vista Underwriting and authorizes the Administration and the District Solicitor to review and execute all contracts related to this matter.

The resolution was seconded by Director Lesh and passed unanimously on roll call.

ON THE QUESTION:

Director Schuster questioned the resolution number; he did not have it in front of him, but believes Mr. Laffey already addressed.

ALSO

The following was submitted by Director Casey.

J-3

It is the recommendation of the Personnel Committee that the attached list of Appointments, Assignments, Resignations, Leaves of Absences and Professional Contracts is approved.

Appointments are effective upon receipt of proper criminal records, immigration, and medical and child abuse reports.

Salaries are in accordance with the Collective Bargaining Agreements.

The resolution was seconded by Director Lesh and passed unanimously on roll call.

ON THE QUESTION:

Director Schuster asked if there were two copies distributed and confirmed he had the correct copy.

December 19, 2018

PROFESSIONAL APPOINTMENTS

<u>NAME</u>	<u>POSITION</u>	<u>LOCATION</u>	<u>EFFECTIVE DATE</u>
Ellen Knecht	Social Worker	Kennedy/Prescott	12/20/2018

PROFESSIONAL-RESIGNATIONS

Karen Yanni	3rd Grade Teacher	Isaac Tripp	12/7/2018
Colleen Kelly	Math Teacher	Scranton High School	T.B.D.

NON-PROFESSIONAL APPOINTMENTS

Nicholas Riggi	Maintenance	Scranton High School	11/27/2018
Paul Stefani	Intervention Specialist	ECA	1/2/2019

PROFESSIONAL CONTRACT

Allison Gorczyk	Teacher	Bancroft Elementary School	10/1/2018
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COACHING APPOINTMENTS

Erin Mangan	7th/8th Boys Basketball	West Intermediate	2018/2019 Season
Jamie Maloney	Freshman Boys Basketball	West Scranton High School	2018/2019 Season
Arthur J. McKenna	7th/8th Boys Basketball	Northeast Intermediate	2018/2019 Season

LEAVE OF ABSENCE PROFESSIONAL

Jennifer McIntyre	Learning Support	Charles Sumner	12/6/2018-3/29/2019 FMLA 1/30/2019-last day 2018/2019 Year/Sabbatical
Karin Wrobel	Grade 4-Special Ed	Whittier Annex	

LEAVE OF ABSENCE NON-PROFESSIONAL

Darie Chekan	Confidential Secretary	Administration Bldg.	12/14/2018-T.B.D. LWOP
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RECOMMENDATIONS FOR LONG-TERM SUBSTITUTE TEACHING ASSIGNMENTS

Walter Kulasinsky	Grade 4-Special Ed	Whittier Annex	
Mariah Sinkevich	Learning Support	Charles Sumner	1/2/2019-3/29/2019

RECOMMENDATIONS FOR PERMANENT SUBSTITUTE TEACHING ASSIGNMENT

Joshua Watters	Phys Ed/German	West Scranton High School	last day 2018/2019 School Year
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FULL SCHEDULE

ALSO

The following was submitted by Director Casey.

J-4

It is the recommendation of the Superintendent and Personnel Committee that the following resolution be approved:

December 19, 2018

WHEREAS, the Scranton School District advertised for Requests for Qualifications for Special Education Legal Counsel and Labor Counsel; and

WHEREAS, the Scranton School District has received competitive proposals; and

THEREFORE BE IT RESOLVED, the Scranton School Board hereby appoints Sweet, Stevens, Katz and Williams for Special Education Counsel and Labor Counsel.

The resolution was seconded by Director Duffy.

ON THE QUESTION:

Director Lesh made a motion for a friendly amendment to follow the recommendation of the lowest bidder and change the name from Sweet, Stevens, Katz and Williams to Joyce, Carmody and Moran, which was also the recommendation of PFM.

President Dixon asked Mr. Lesh if he means for Labor Counsel; Mr. Lesh replied yes.

Director Casey seconded the motion.

Director Schuster commented that at a previous meeting it was discussed there may be a possible conflict of interest which Mr. Moran addressed the board about and he thinks at that point the board requested a signed affidavit from Mr. Moran that he was not the trustee of True Solutions and asked if the affidavit has been provided.

Mr. Moran, who was still present at the meeting, responded that there was no request communicated to him to provide an affidavit but if the board chooses he will be happy to provide one.

Director Casey asked to add to the resolution that it is contingent upon receiving the affidavit from Mr. Moran.

Director Schuster asked Mr. Audi if anyone on the current board received any campaign donations from this group would they have to recuse themselves from this vote.

Solicitor Audi replied that he believes there would be a conflict.

President Dixon asked Mr. Schuster if he was referring to her because of True Solutions.

Director Schuster responded that would be correct.

President Dixon asked Mr. Audi if she has it indicated on her campaign fundraising report from True Solutions, would it be a conflict of interest.

Attorney Audi responded that there would either be an apparent conflict or a potential conflict of interest and her disclosure of it is perfectly appropriate; he is not suggesting anybody has done anything wrong, he was simply answering a question with the limited facts he has.

December 19, 2018

President Dixon asked if he is suggesting she recuse herself.

Mr. Audi said no, he isn't, but he does not believe she has to recuse herself.

Director Schuster asked for clarification of the motion.

Director Casey replied the motion is to assign Sweet, Stevens, Katz and Williams to Special Education Counsel and Joyce, Carmody, Moran to Labor Counsel, contingent upon receiving the affidavit from Mr. Moran stating what was addressed tonight.

The motion for amendment passed with five (5) affirmative and three (3) negative votes. Directors Gilmartin, McAndrew and Schuster voted in the negative.

ALSO

The following was submitted by Director Casey.

J-5

The Superintendent of Schools and the Personnel Committee present the following resolution for your consideration:

Whereas, Benistar Group Retiree Health Solutions provides Retiree Medical Plan and Prescription Drug services to the Scranton School District.

And Whereas, Benistar has proposed a renewal effective January 1, 2019 at a rate of \$724.93 per retiree covered.

And Whereas, the District sees the need to continue these services for 2019.

Therefore be it resolved the Scranton School Board of Directors approves the Renewal with Benistar Group Retiree Health Solutions and authorizes the Administration and the District Solicitor to review and execute all contracts related to this matter.

The resolution was seconded by Director Lesh and passed unanimously on roll call.

ALSO

The following was submitted by Director Casey.

J-7

It is the recommendation of the Superintendent and the Personnel Committee that the following resolution be approved:

WHEREAS, Pat Laffey was appointed to the position of Business Manager on May 7, 2018 with no adjustment to salary; and

December 19, 2018

THEREFORE be it resolved the Scranton School Board hereby approves Mr. Laffey's salary be adjusted to \$100,000 effective immediately.

The resolution was seconded by Director Lesh and passed unanimously on roll call.

ON THE QUESTION:

Director Casey asked Dr. Kirijan to provide some information for everybody how she arrived at this figure and is it in the budget.

Dr. Kirijan responded that it is in the budget as the salary of the former Chief Financial Officer, \$123,860, was not removed from the budget. Dr. Kirijan provided research of other districts for example, Hazleton Area School District with a student population of 11,400 students the Business Manager salary is \$139,610, Wilkes Barre Area, with 7,700 students, the salary is \$109,224, Harrisburg Area is \$119,500, Lancaster is \$117,669 and Carbondale Area, with enrollment of 1,588, the salary is \$97,131. Dr. Kirijan said her recommendation is \$100,000, he has been working in this capacity at his previous salary and she is recommending he is brought up to the level of the responsibility and accountability he has to stakeholders, the board and the superintendent.

Director Duffy asked if this is a motion to reduce the Business Manager Salary from \$123,860 down to \$100,000. Dr. Kirijan answered yes.

President Dixon asked if Mr. Laffey decided to leave the district tomorrow and a new business manager had to be hired would the starting salary be \$100,000. Dr. Kirijan responded yes, if they would come for that little salary.

Director Lesh commented that it was an honor to appoint Mr. Laffey as Assistant Business Manager and it is now as well adding that Mr. Laffey does an outstanding job, he stepped up when the district needed him, he's done a wonderful job and is a well trusted man and wishes him lots of luck. Director Dixon echoed.

The resolution now passed unanimously on roll call vote.

ALSO

The following was submitted by Director Duffy.

N-2

Whereas, pursuant to 22 PA Code Section 14, school districts may expend said funds and provide said programs and services either by direct service or through arrangements with other agencies; and

Whereas, pursuant to 22 PA Code Section 14, Scranton School District is required to specify which, if any, services will be provided by contract with intermediate units or other agencies; and

December 19, 2018

Whereas, the District has concluded and determined that the programs and services below listed can be more efficiently or economically operated by contracting with the Northeastern Educational Intermediate Unit (NEIU) for provision of same;

BE IT THEREFORE RESOLVED, that the attached contract (s) with NEIU for provision of special education programs and services as specified therein are hereby approved for the 2018-2019 school year and thereafter until expiration in accordance with the terms thereof.

The resolution was seconded by Director Casey and passed unanimously on roll call.

ON THE QUESTION:

Director Schuster asked Dr. Kirijan to explain the services provided by NEIU.

Dr. Kirijan said the NEIU handles professional development, paraprofessional development, special education services, ESY program for our preschool programs and assist with many special education services with IEPs that the district is not able to accommodate.

Dr. Kirijan asked Mrs. Baddick if there is anything else she would like to add.

Mrs. Sharon Baddick responded that the services that primary run up costs are for students in placement there, some of which were placed prior to her arriving in the district and for the purposes of continuity and education they are remaining there until they graduate or age out of the programs. Mrs. Baddick said there are four kids in their Life Skills program, three kids in the Autistic Support classroom, six students in their multi-disabilities classroom and three in the Transitions Program and that the sum total of those programs is several hundred thousand dollars for those kids in those programs.

NEW BUSINESS:

President Dixon asked to address the board and said she brought the subject up in executive session and Mr. Audi informed her that it wasn't appropriate to discuss in executive session and that is why she is addressing it under New Business.

President Dixon asked the board, with regards to the current vacant seat, to consider taking a candidate from the 2nd place pool of candidate interviews conducted within the last month because it has been such a short time since they appointed the last board member. Mrs. Dixon felt if they had only one second place candidate she would ask for a vote for that person but there was a six way tie for 2nd place and she asked if anyone would entertain the idea of suspending the advertising and interview pieces of the policy and the names could be picked out of a hat and voted on so they can get the vacancy filled and ready for January.

Solicitor Audi commented that he did look into that and the Policy 003 allows for the board to suspend procedure or policy temporarily so long as it doesn't violate the law, which in this case it would not violate the law so under New Business he thinks it is an appropriate motion that they can place on the table although it is up to the entire board to vote on it but as far as he is concerned it is a perfectly acceptable option.

December 19, 2018

Director Schuster asked if that would go to a board vote; Mr. Audi said yes it would need a motion to suspend the policy for the advertising and interviewing and would be pursuant to Policy 003 which allows for the suspension of policy and procedure.

Director Casey asked how they would determine who is voted on first.

President Dixon suggested the six names would be picked from a box and voted on.

Director Gilmartin asked if we know the order of the candidates.

Director Schuster asked if the six names are available right now, adding that there may be some persons that didn't apply but would like the opportunity to apply now.

Director McAndrew agreed.

President Dixon felt it has been such a short period of time.

Director Duffy made a motion to suspend, Director Popil seconded.

ON THE QUESTION:

Director McAndrew expressed he does not think it is fair to the whole community and there is a policy they should follow, they have 30 days and there may be a couple more people who would want to step up and be given the opportunity to interview. Mr. McAndrew thinks it is fair to follow the policy because when they don't things go awry.

Director Gilmartin feels this is something that was discussed in Policy 004 and thinks Mr. Duffy raised that issue, if they should be banking candidates and she certainly thinks it is something to entertain but not at the time it is on the table; she would be happy to look at revising that policy at another time.

Director Duffy said he did mention it but had no clue this was going to happen and he normally would not be in favor but in 20-25 days will there be more people or more differences.

Director Schuster asked Mr. Audi if he has had any board members call him over the past few days to ask if this would be in alignment.

President Dixon spoke up and said that she called Mr. Audi to ask if it would be in reason to discuss it under new business.

Director Lesh asked Mr. Audi if this would be perfectly legal; Mr. Audi responded absolutely.

President Dixon again said it is only because it is such a short period of time.

Director Schuster said he was looking for premeditation.

President Dixon asked Mr. Schuster to define and clarify that.

December 19, 2018

Director Lesh commented that Mr. Schuster always thinks there is premeditation and a burglar around every corner.

President Dixon asked for order as well as Mr. Audi asked for order so he could focus on what is happening and asked what is being voted on.

Board Secretary thought there was a motion to suspend Policy 003.

President Dixon disagreed; Mr. Audi and Mrs. Dixon collectively clarified that it is not to suspend Policy 003, just the advertising and interview process.

Upon roll call, the motion to suspend the advertising and interviews passed with five (5) affirmative and three (3) negative votes. Directors Gilmartin, McAndrew and Schuster voted in the negative.

At this time, Mr. Audi suggested that the list of candidates be read out loud, the names be written down and the Board Secretary should confirm each name, put it in a box and the Board Secretary pull the name from the box and voted on.

Director Gilmartin thought the names were ranked already.

Board Secretary Mrs. Orr announced there are six candidates that tied for 2nd place with four entries: Pedro Anes, Gail Baar, Tom Borthwick, Sarah Cruz, Tom McIntyre and Gopal Patel.

Mr. Audi commented that the candidates all tied with four entries and there was no ranking after that.

President Dixon said there was one 1st place candidate with five votes, then six candidates that tied with four.

Mr. Audi suggested the names be written down, confirm one name per entry, pull the name and put a vote out.

Board Secretary Virginia Orr asked Sarah Hofius-Hall from the Times Tribune, who was still present to please witness.

Mrs. Orr announced each name as she wrote it down on a slip of paper with Mrs. Hall and Mr. Audi present to witness the names and place in a box in the following order: Anes, Baar, Borthwick, Cruz, McIntyre, Patel.

The first name Mrs. Orr pulled was Tom McIntyre.

President Dixon informed everyone at this time that when she thought of this idea she checked with PSBA and they suggested to name someone but Mrs. Dixon wanted to be fair because there were six people that tied.

December 19, 2018

A motion to appoint Mr. McIntyre to the vacant seat was made by Director Casey, seconded by Director Dixon.

ON THE QUESTION:

Director Duffy reiterated what he always felt that he would only vote in favor of candidates who have children attending the district.

Director Gilmartin said she has no comment on Mr. McIntyre's ability but she does not feel comfortable making a decision without everyone's credentials in front of them and feels it has been a long time ago when they last looked at the resumes and conducted interviews and this is something that could have been entertained by the board with more time to prepare but it feels like a surprise to her and she is not comfortable.

Director Schuster agreed that it feels like a surprise to him also.

Upon roll call the motion to appoint Mr. McIntyre failed with three (3) affirmative and five (5) negative votes. Directors Casey, Dixon, Gilmartin, Lesh and Popil voted in the negative.

Mrs. Orr next pulled Pedro Anes' name.

Director Schuster made a motion for Mr. Anes, seconded by Director McAndrew.

The motion failed with two (2) affirmative and six (6) negative votes. Directors Casey, Dixon, Duffy, Gilmartin, Lesh and Popil voted in the negative.

Mrs. Orr next pulled Sara Cruz's name.

Director Schuster made a motion, seconded by Director McAndrew to appoint Ms. Cruz.

The motion failed with three (3) affirmative and five (5) negative votes. Directors Casey, Dixon, Duffy, Lesh, and Popil voted in the negative.

Mrs. Orr next pulled Gail Baar's name.

Director Schuster made a motion, seconded by Director McAndrew to appoint Mrs. Baar.

The motion failed with two (2) affirmative and six (6) negative votes. Directors Casey, Dixon, Duffy, Gilmartin, Lesh and Popil voted in the negative.

Mrs. Orr next pulled Tom Borthwick's name.

Director Duffy made a motion, seconded by Director Casey to appoint Mr. Borthwick.

The motion failed with two (2) affirmative and six (6) negative votes. Directors Casey, Dixon, Lesh, McAndrew, Popil and Schuster voted in the negative.

Mrs. Orr next pulled Gopal Patel's name.

December 19, 2018

Director Lesh made a motion to appoint Mr. Patel, seconded by Mr. Duffy.

ON THE QUESTION:

Director McAndrew mentioned that there was discussion earlier tonight about having the Auditor General come in and it was voted down. Mr. McAndrew said he remembers during interviews the question was posed to Mr. Patel if he would be in favor of that and Mr. Patel said yes but while on the board of the Scranton Sewer Authority (SSA) Mr. Patel voted no for the Auditor General to go in to the SSA, so Mr. McAndrew said he will be voting no for that reason.

Director Casey said he thought they weren't supposed to comment.

Director McAndrew apologized and Director Gilmartin commented that it would have been a matter of public record and Mr. McAndrew said Mr. Duffy also commented earlier.

Upon roll call the motion to appoint Mr. Patel to the vacant seat passed with five (5) affirmative and three (3) negative votes. Directors Gilmartin, McAndrew and Schuster voted in the negative.

A motion to adjourn was made by Director Duffy, seconded by Director Casey and the meeting adjourned at 10:21pm.

By: _____